H.146


Referred to Committee on

Date:

Subject: Taxation; property tax credits; veterans’ disability payments

Statement of purpose of bill as introduced: This bill proposes to exempt disability and pension income for veterans who are permanently and totally disabled from the calculation of household income for the purpose of determining the income sensitivity property tax credit.

An act relating to the definition of household income for the purposes of the property tax credit
It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 32 V.S.A. § 6061(5) is amended to read:

(5) “Modified adjusted gross income” means “federal adjusted gross income”:

* * *

(B) With the addition of the following, to the extent not included in adjusted gross income: alimony, support money other than gifts, gifts received by the household in excess of a total of $6,500.00 in cash or cash equivalents, cash equivalents, cash public assistance and relief (not including relief granted under this subchapter), cost of living allowances paid to federal employees, allowances received by dependents of servicemen and women, the portion of Roth IRA distributions representing investment earnings and not included in adjusted gross income, railroad retirement benefits, payments received under the federal Social Security Act, all benefits under Veterans’ Acts, except for disability and pension income paid by the U.S. Department of Veterans Affairs to veterans who are permanently and totally disabled, federal pension, and annuity benefits not included in adjusted gross income; nontaxable interest received from the state or federal government or any of its instrumentalities, workers’ compensation, the gross amount of “loss of time” insurance, and the amount of capital gains excluded from adjusted gross income, less the net employment and self-employment taxes withheld from or paid by the
individual (exclusive of any amounts deducted to arrive at adjusted gross
income or deducted on account of excess payment of employment taxes) on
account of income included under this section, less any amounts paid as child
support money if substantiated by receipts or other evidence that the
Commissioner may require.

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Sec. 2. EFFECTIVE DATE

This act shall take effect on January 1, 2022 and apply to property tax credit
claims filed on and after January 1, 2022.