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H.147

Introduced by Representatives Birong of Vergennes, Hango of Berkshire, and  
Sibilia of Dover

Referred to Committee on

Date:

Subject: Taxation; income tax; National Guard state active duty subsistence

Statement of purpose of bill as introduced: This bill proposes to exempt the  
State active duty subsistence and quarters allowance paid to members of the  
National Guard from income tax in Vermont.

An act relating to exempting State active duty subsistence and quarters  
allowance paid to members of the National Guard

It is hereby enacted by the General Assembly of the State of Vermont:

Sec. 1. 32 V.S.A. § 5823(a) is amended to read:

(a) For any taxable year, the Vermont income of a resident individual is the  
adjusted gross income of the individual for that taxable year, and the Vermont  
income of a resident estate or trust is its gross income for the taxable year, less:

\* \* \*

(2) Military pay for full-time active duty with the U.S. Armed Services  
earned outside the State; ~~and~~ the first \$2,000.00 of military pay for unit  
training in the State to National Guard and U.S. Reserve personnel for whom

1 the Adjutant and Inspector General or Reserve Component Commander  
2 certifies that the taxpayer completed all unit training of his or her unit during  
3 the calendar year, and who has a federal adjusted gross income of less than  
4 \$50,000.00; and State active duty subsistence and quarters allowance paid to  
5 members of the National Guard under 20 V.S.A. § 603.

6 \* \* \*

7 Sec. 2. EFFECTIVE DATE

8 Notwithstanding 1 V.S.A. § 214, this act shall take effect on January 1,  
9 2021 and apply to taxable years beginning on and after January 1, 2021.