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H.170

Introduced by Representative Sullivan of Dorset

Referred to Committee on

Date:

Subject: Taxation; sales tax; exemption; residential use of fuel; wood pellets

Statement of purpose of bill as introduced: This bill proposes to clarify that the sales and use tax exemption for fuels used in a residence applies to retail sales of wood pellets to an individual, both when delivered to the individual's residence and sold on the seller's premises.

An act relating to the sales tax exemption for residential use of fuels

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

Sec. 1. 32 V.S.A. § 9741 is amended to read:

§ 9741. SALES NOT COVERED

Retail sales and use of the following shall be exempt from the tax on retail sales imposed under section 9771 of this title and the use tax imposed under section 9773 of this title:

* * *

(26) Sales of electricity, oil, gas, and other fuels used in a residence for all domestic use, including heating, but not including fuel sold at retail in free-standing containers, or sold as part of a transaction where a free-standing

1 container is exchanged without a separate charge. Wood pellets sold to an
2 individual on the vendor's premises or delivered to an individual's residence
3 shall be presumed to be purchased for residential use and shall be exempt sales
4 under this subdivision unless the vendor knew or ought reasonably to have
5 known that the wood pellets were not purchased for residential use. A
6 certificate of exemption shall not be required for exempt retail sales of wood
7 pellets to an individual. The Commissioner shall by rule determine that
8 portion of the sales attributable to domestic use where fuels are used for
9 purposes in addition to domestic use.

10 * * *

11 Sec. 2. EFFECTIVE DATE

12 This act shall take effect on passage.