An act relating to miscellaneous changes to Vermont’s tax laws

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

* * * Meals and Rooms Tax * * *

Sec. 1. 32 V.S.A. § 9202 is amended to read:

§ 9202. DEFINITIONS

The following words, terms, and phrases when used in this chapter shall have the meanings ascribed to them in this section unless the context clearly indicates a different meaning:

* * *

(4) “Operator” means any person, or his or her agent, operating a hotel, whether as owner or proprietor or lessee, sublessee, mortgagee, licensee, or otherwise; and any person, or his or her agent, charging for a taxable meal or alcoholic beverage; and any person, or his or her agent, engaged in both of the
foregoing activities. The term “operator” shall include booking agents and taxable meal facilitators. In the event that an operator is a corporation or other entity, the term “operator” shall include any officer or agent of such corporation or other entity who, as an officer or agent of the corporation, is under a duty to pay the gross receipts tax to the Commissioner as required by this chapter.

* * *

(10) “Taxable meal” means:

(A) Any food or beverage furnished within the State by a restaurant for which a charge is made, including admission, delivery or other facilitator charge, and minimum charges, whether furnished for consumption on or off the premises.

(B) Where furnished by other than a restaurant, any nonprepackaged food or beverage furnished within the State and for which a charge is made, including admission, delivery or other facilitator charge, and minimum charges, whether furnished for consumption on or off the premises. Fruits, vegetables, candy, flour, nuts, coffee beans, and similar unprepared grocery items sold self-serve for take-out from bulk containers are not subject to tax under this subdivision.

* * *
(21) “Taxable meal facilitator” means a person who facilitates the sale and collects the charge for a taxable meal or alcoholic beverage through an Internet transaction or any other means.

Sec. 2. 32 V.S.A. § 9202 is amended to read:

§ 9202. DEFINITIONS

The following words, terms, and phrases when used in this chapter shall have the meanings ascribed to them in this section unless the context clearly indicates a different meaning:

* * *

(10) “Taxable meal” means:

* * *

(D) “Taxable meal” shall not include:

* * *

(ii) Food or beverage, including that described in subdivision (10)(C) of this section, or alcoholic beverages:

(I) served or furnished on the premises of a nonprofit corporation or association organized and operated exclusively for religious or charitable purposes, in furtherance of any of the purposes for which it was organized; with the net proceeds sales revenues of the food or beverage or alcoholic beverages to be used exclusively for the purposes of the corporation or association;
(II) served or furnished on the premises of a school as defined herein;

(III) served or furnished on the premises of any institution of the State, political subdivision thereof or of the United States to inmates and employees of such institutions;

(IV) prepared by the employees thereof and served in any hospital licensed under 18 V.S.A. chapter 43;

(V) furnished by any person while transporting passengers for hire by train, bus, or airplane if furnished on any train, bus, or airplane;

(VI) furnished by any person while operating a summer camp for children, in such camp;

(VII) sold by nonprofit organizations at bazaars, fairs, picnics, church suppers, or similar events to the extent of four such events of a day’s duration, held during any calendar year; provided, however, where sales are made at such events by an organization required to have a meals and rooms registration license or otherwise required to have a license because its selling events are in excess of the number permitted, the sale of such food or beverage or alcoholic beverages shall constitute sales made in the regular course of business and are not exempted from the Vermont meals and rooms gross receipts tax;
(VIII) furnished to any employee of an operator as remuneration for his employment;

(IX) provided to the elderly pursuant to the Older Americans Act, 42 U.S.C. chapter 35, subchapter III;

(X) purchased under the USDA Supplemental Nutrition Assistance Program (SNAP);

(XI) served or furnished on the premises of a continuing care retirement community certified under 8 V.S.A. chapter 151; or

(XII) prepared and served by the employees, volunteers, or contractors of any nursing home, residential care home, assisted living residence, home for the terminally ill, therapeutic community residence as defined pursuant to 33 V.S.A. chapter 71, or independent living facility;

provided, however, that “contractor” under this subdivision excludes meals or alcoholic beverages provided by a restaurant as defined by subdivision (15) of this section when those meals or alcoholic beverages are not otherwise available generally to residents of the facility.

***

(11) “Alcoholic beverages” means any malt beverages, vinous beverages, spirits, or fortified wines as defined in 7 V.S.A. § 2 and served for immediate consumption. “Alcoholic beverages” do not include any beverages served shall be exempt from the tax imposed under section 9241 of this chapter
when served under the circumstances enumerated in subdivision (10)(D)(ii) of this section under which food or beverages or alcoholic beverages are excepted from the definition of “taxable meal.”

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*** Property Tax Credit; Claim Amendment ***

Sec. 3. 32 V.S.A. § 6074 is amended to read:

§ 6074. AMENDMENT OF CERTAIN CLAIMS

At any time within three years after the date for filing claims under subsection 6068(a) of this chapter, a claimant who filed a claim by October 15 may file to amend that claim with regard to housesite value, housesite education tax, housesite municipal tax, and ownership percentage, or to correct the amount of household income reported on that claim.

*** Methods of Payment Accepted by Commissioner of Taxes ***

Sec. 4. 32 V.S.A. § 3110 is amended to read:

§ 3110. PAYMENTS BY CREDIT CARD ACCEPTED BY THE COMMISSIONER

The Notwithstanding 32 V.S.A. § 583 and any other provision of law to the contrary, the Commissioner may accept payment of taxes, license fees, penalties, interest, fees, or other charges by any means of that the Commissioner deems necessary for the effective administration of taxes. When accepting payment by bank credit cards and the Commissioner
may charge the taxpayer an additional amount \_\_which\_\_ that approximates the

cost of providing the service and \_\_which\_\_ that is approved by the Secretary of

Administration for each payment made by credit card. Notwithstanding

section 502 of this title, the Commissioner may charge against such collections

paid using a bank credit card a percentage of collections and any service fee

imposed.

Sec. 5. 32 V.S.A. § 5874 is amended to read:

§ 5874. METHOD OF PAYMENT

All tax liabilities imposed by this chapter may be paid pursuant to section

3110 of this title. A tax liability may be paid with uncertified check, unless the

Commissioner otherwise prescribes, but if a uncertified check so received is

not honored by the bank on which it is drawn, the taxpayer shall remain liable

for the payment of the tax and for all lawful penalties and interest, in the same

manner as if the check had not been tendered.

Sec. 6. 32 V.S.A. § 7483 is amended to read:

§ 7483. METHOD OF PAYMENT

All tax liabilities imposed by this chapter may be paid pursuant to section

3110 of this title. A tax liability may be paid with uncertified check, unless the

Commissioner otherwise prescribes, but if an uncertified check so received is

not honored by the bank on which it is drawn, the taxpayer shall remain liable
for the payment of the tax and for all lawful penalties and interest, in the same
manner as if the check had not been tendered.

Sec. 7. 32 V.S.A. § 9243(a) is amended to read:

(a) Where the meals and rooms tax liability under this chapter for the
immediately preceding full calendar year has been (or would have been in
cases when the business was not operating for the entire year) $500.00 or less,
the gross receipts taxes imposed by this chapter shall be due and payable in
quarterly installments on or before the 25th day of the calendar month
succeeding the quarter ending the last day of March, June, September, and
December of each year. In all other cases, the gross receipts tax imposed by
this chapter shall be due and payable monthly on or before the 25th (23rd of
February) day of the month following the month for which the tax is due. The
Pursuant to section 3110 of this title, the Commissioner may authorize
payment of the tax due by electronic funds transfer. The Commissioner may
require payment by electronic funds transfer from any taxpayer who is required
by federal tax law to pay any federal tax in that manner, or from any taxpayer
who has submitted to the Department of Taxes two or more protested or
otherwise uncollectible checks with regard to any State tax payment in the
prior two years. Each operator shall make out and sign under the pains and
penalties of perjury a return for each quarter or month. The return shall be
filed with the Commissioner on a form prescribed by the Commissioner. The
Commissioner shall distribute return forms to the operators, upon request, but no operator shall be excused from liability for failure to file a return or pay the tax because he or she has failed to receive a form. A remittance for the amount of taxes shall accompany each quarterly or monthly return. Returns shall be made on forms provided by the Commissioner. Payment of taxes by electronic funds transfer does not affect the requirement to file returns.

Sec. 8. 32 V.S.A. § 9776 is amended to read:

§ 9776. PAYMENT OF TAX

Every person required to file a return under this chapter shall, at the time of filing the return, pay to the Commissioner the taxes imposed by this chapter as well as all other monies collected under this chapter; provided, however, that every person who collects the tax from purchasers of taxable items according to the tax bracket schedule of section 9772 of this title shall be allowed to retain, as partial compensation for services rendered to the State of Vermont in collecting the tax, any amount lawfully collected in excess of the tax imposed by this chapter. The Pursuant to section 3110 of this title, the Commissioner may authorize payment by electronic funds transfer. The Commissioner may require payment by electronic funds transfer from any taxpayer who is required by federal tax law to pay any federal tax in that manner, or from any taxpayer who has submitted to the Department of Taxes two or more protested or otherwise uncollectible checks with regard to any State tax payment in the
prior two years. All the taxes for the period for which a return is required to be
filed or for such lesser interval as shall have been designated by the
Commissioner, shall be due and payable to the Commissioner on the date
limited for the filing of the return for that period, or on the date limited for
such lesser interval as the Commissioner has designated, without regard to
whether a return is filed or whether the return which is filed correctly shows
the amount of receipts, amusement charges or the value of property or services
sold or purchased or the taxes due thereon.

* * * Current Use Contingent Lien; Subordination Fee * * *

Sec. 9. 32 V.S.A. § 3757(f) is added to read:

(f)(1)(A) When the application for use value appraisal of agricultural land
and forestland has been approved by the State, the State shall record a notice of
contingent lien against the enrolled land in the land records of the municipality.

(B) The landowner shall bear the recording cost.

(C) The notice of contingent lien shall constitute notice to all
interested parties that a lien against the enrolled land will be created upon the
recording in the land records of a determination that development of that land,
as defined in section 3752 of this title, has occurred.

(D) The lien created by the recording of the notice of development
shall be for the amount of the land use change tax then due as specified in the
notice of development.
(E) A lien recorded in the land records of a municipality under this section on or after April 17, 1978 shall be deemed to be a contingent lien.

(2) The land use change tax and any obligation to repay benefits paid in error shall not constitute a personal debt of the person liable to pay the same but shall constitute a lien that shall run with the land. All of the administrative provisions of chapter 151 of this title, including those relating to collection and enforcement, shall apply to the land use change tax. The Director shall release the lien when notified that:

(A) the land use change tax is paid;

(B) the land use change tax is abated pursuant to this section;

(C) the land use change tax is abated pursuant to subdivision 3201(5) of this title;

(D) the land is exempt from the levy of the land use change tax pursuant to this section and the owner requests release of the lien; or

(E) the land is exempt from the levy of the land use change tax pursuant to this section and the land is developed.

(3) Any fees related to the release of a lien under this subsection shall be the responsibility of the owner of the land subject to the lien.

Sec. 10. REPEAL

32 V.S.A. § 3777 is repealed.
** * * * Tax Expenditure; Statutory Purpose * * * **

Sec. 11. 32 V.S.A. § 9706(nn) is added to read:

(nn) The statutory purpose of the exemption for sales of recyclable paper carryout bags in subdivision 9741(54) of this title is to lessen the cost of recyclable paper carryout bags incidental to other retail purchases made by customers in Vermont.

** * * * Town Clerk Recording Fees * * * **

Sec. 12. 32 V.S.A. § 5258 is amended to read:

§ 5258. FEES AND COSTS ALLOWED AFTER WARRANT AND LEVY RECORDED

(a) The fees and costs allowed after the warrant and levy for delinquent taxes have been recorded shall be as follows:

* * *

(2) recording levy and extending of warrant in the town clerk’s office, $10.00 $15.00, to be paid to the town clerk;

* * *

(8) making return and recording the return in the town clerk’s office, $10.00 $15.00 per page, to be paid to the town clerk;

(9) collector’s deed, $30.00 $15.00 per page.

* * *
* * * Health Care Sunset Extensions * * *

Sec. 13. 2017 Acts and Resolves No. 73, Sec. 18d, as amended by 2019 Acts and Resolves No. 71, Sec. 22, is further amended to read:

Sec. 18d. REPEAL

33 V.S.A. § 1955a (home health agency assessment) is repealed on July 1, 2023.

Sec. 14. 2013 Acts and Resolves No. 73, Sec. 60(10), as amended by 2017 Acts and Resolves No. 73, Sec. 14, 2018 Acts and Resolves No. 187, Sec. 5, and 2019 Acts and Resolves No. 71, Sec. 21, is further amended to read:

(10) Secs. 48–51 (health claims tax) shall take effect on July 1, 2013 and Sec. 52 (Health IT-Fund; sunset) shall take effect on July 1, 2023.

* * * Pharmaceutical Manufacturers; Annual Reporting * * *

Sec. 15. 18 V.S.A. § 4632 is amended to read:

§ 4632. DISCLOSURE OF ALLOWABLE EXPENDITURES AND GIFTS

BY MANUFACTURERS OF PRESCRIBED PRODUCTS

(a)(1)(A) Annually on or before April 1 of each year, every manufacturer of prescribed products shall disclose to the Office of the Attorney General for the preceding calendar year the value, nature, purpose, and recipient information of any allowable expenditure or gift permitted under subdivision 4631a(b)(2) of this title to any health care provider or to a member of the Green Mountain Care Board established in chapter 220 of this title, except:
(3) Annually on January or before April 1, each manufacturer of prescribed products also shall disclose to the Office of the Attorney General the name and address of the individual responsible for the manufacturer’s compliance with the provisions of this section.

* * *

(b)(1) Beginning January 1, 2013 and annually thereafter Annually on or before April 1, the Office of the Attorney General shall collect a $500.00 fee from each manufacturer of prescribed products filing annual disclosures of expenditures greater than zero described in subsection (a) of this section.

* * *

**Effective Dates**

Sec. 16. EFFECTIVE DATES

This act shall take effect on July 1, 2021 except:

(1) Sec. 1 (taxable meal facilitators) shall take effect on August 1, 2021.

(2) Notwithstanding 1 V.S.A. § 214, Sec. 2 (alcoholic beverages) shall take effect retroactively on April 1, 2021 and apply to sales made on and after April 1, 2021.

(3) Notwithstanding 1 V.S.A. § 214, Secs. 9–10 (current use contingent lien and subordination fee) and 11 (tax expenditure statutory purpose) shall take effect retroactively on July 1, 2020. Secs. 9–10 shall take effect
1 retroactively to correct an erroneous technical revision to 2019 Acts and

2 Resolves, No. 20, Sec. 109(a).