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H.549

Introduced by Representatives Hango of Berkshire, Gregoire of Fairfield,
Harrison of Chittenden, Higley of Lowell, Leffler of Enosburgh,
Page of Newport City, and Palasik of Milton

Referred to Committee on

Date:

Subject: Conservation and development; land use; Act 250; housing; priority
housing project; sales and use tax exemption

Statement of purpose of bill as introduced: This bill proposes to expand the
definition of priority housing project. It would also exempt from sales and use
tax building supplies and materials used for the construction of priority
housing projects.

An act relating to Vermont Housing Regulation Modernization

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

* * * Short Title; Findings * * *

Sec. 1. SHORT TITLE

This act may be cited as the “Vermont Housing Regulation Modernization
Act” or “VHRMA”.

1 percent of the gross annual income of a household at ~~80~~ 120 percent of the
2 highest of the following:

3 (i) the county median income, as defined by the U.S. Department
4 of Housing and Urban Development;

5 (ii) the standard metropolitan statistical area median income if the
6 municipality is located in such an area, as defined by the U.S. Department of
7 Housing and Urban Development; or

8 (iii) the statewide median income, as defined by the U.S.
9 Department of Housing and Urban Development.

10 * * *

11 (35) "Priority housing project" means a discrete project located on a
12 single tract or multiple contiguous tracts of land that consists exclusively of:

13 ~~(A)~~ mixed income housing or mixed use, or any combination thereof,
14 and is located entirely within a designated downtown development district,
15 designated new town center, designated growth center, designated Vermont
16 neighborhood, designated neighborhood development area, or designated
17 village center ~~that is also a designated neighborhood development area under~~
18 ~~24 V.S.A. chapter 76A; or~~

19 ~~(B) mixed income housing and is located entirely within a designated~~
20 ~~Vermont neighborhood or designated neighborhood development area under~~
21 ~~24 V.S.A. chapter 76A.~~

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Sec. 4. 10 V.S.A. § 6081(p) is amended to read:

~~(p)(1) No permit or permit amendment is required for any change to a project that is located entirely within a downtown development district designated pursuant to 24 V.S.A. § 2793, if the change consists exclusively of any combination of mixed use and mixed income housing, and the cumulative changes within any continuous period of five years, commencing on or after May 28, 2002, remain below any applicable jurisdictional threshold specified in subdivision 6001(3)(A)(iv)(I) of this title.~~

~~(2) No permit or permit amendment is required for a priority housing project in a designated center other than a downtown development district if the project remains below any applicable jurisdictional threshold specified in subdivision 6001(3)(A)(iv)(I) of this title and will comply with all conditions of any existing permit or permit amendment issued under this chapter that applies to the tract or tracts on which the project will be located. If such a priority housing project will not comply with one or more of these conditions, an application may be filed pursuant to section 6084 of this title.~~

* * * Sales and Use Tax Exemption * * *

Sec. 5. 32 V.S.A. § 9743 is amended to read:

§ 9743. ORGANIZATIONS NOT COVERED

1 Any sale, service, or admission to a place of entertainment charged by or to
2 any of the following or any use by any of the following are not subject to the
3 sales and use taxes imposed under this chapter:

4 * * *

5 (4)(A) Provided that the governmental body or agency, organization,
6 development corporation, or the developer of a priority housing project has
7 first obtained a certificate from the Commissioner stating that it is entitled to
8 the exemption, and the vendor keeps a record of the sales price of each
9 separate sale, the name of the purchaser, the date of each separate sale, and the
10 number of the certificate, Sales sales of building materials and supplies to be
11 used in the construction, reconstruction, alteration, remodeling, or repair of:

12 ~~(A)(i)~~ any building, structure, or other public works owned by or held
13 in trust for the benefit of any governmental body or agency mentioned in
14 subdivisions (1) and (2) of this section and used exclusively for public
15 purposes;

16 ~~(B)(ii)~~ any building or structure owned by or held in trust for the
17 benefit of any organization described in subdivision (3) and used exclusively
18 for the purposes upon which its exempt status is based; ~~and~~

19 ~~(C)(iii)~~ any building or structure owned by any “local development
20 corporation” as defined in 10 V.S.A. § 212(10); and used exclusively for the
21 purposes authorized in 10 V.S.A. chapter 12; and

1 (iv) any building or structure that meets the definition of priority
2 housing project as defined in 10 V.S.A. § 6001 ~~provided, however, that the~~
3 ~~governmental body or agency, the organization, or the development~~
4 ~~corporation has first obtained a certificate from the Commissioner stating that~~
5 ~~it is entitled to the exemption, and the vendor keeps a record of the sales price~~
6 ~~of each separate sale, the name of the purchaser, the date of each separate sale,~~
7 ~~and the number of the certificate.~~

8 (B) In For purposes of this subdivision (4), the words “building
9 materials and supplies” shall include all materials and supplies consumed,
10 employed, or expended in the construction, reconstruction, alteration,
11 remodeling, or repair of any building, structure, or other public work, as well
12 as the materials and supplies physically incorporated therein.

13 * * *

14 * * * Effective Date; Prospective Repeal * * *

15 Sec. 6. PROSPECTIVE REPEAL

16 32 V.S.A. § 9743(4)(A)(iv) is repealed on January 1, 2025.

17 Sec. 7. EFFECTIVE DATE

18 This act shall take effect on passage.