

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Ways and Means to which was referred Senate Bill
3 No. 101 entitled “An act relating to promoting housing choice and opportunity
4 in smart growth areas” respectfully reports that it has considered the same and
5 recommends that the House propose to the Senate that the bill ought to pass
6 when amended as recommended by the Committee on Natural Resources, Fish,
7 and Wildlife and when further amended by striking out Secs. 3–6, tax credits,
8 and their reader assistance heading in their entirety and inserting in lieu
9 thereof the following:

10 * * * Property Transfer Tax Surcharge * * *

11 Sec. 3. 32 V.S.A. § 9602 is amended to read:

12 § 9602. TAX ON TRANSFER OF TITLE TO PROPERTY

13 A tax is hereby imposed upon the transfer by deed of title to property
14 located in this State, or a transfer or acquisition of a controlling interest in any
15 person with title to property in this State. The amount of the tax equals one
16 and one-quarter percent of the value of the property transferred, or \$1.00,
17 whichever is greater, except as follows:

18 * * *

19 (4) With respect to all transfers by deed of title to property located in
20 this State, a surcharge shall be imposed at the rate of one half of a percent of
21 the value of the property transferred in excess of \$1,000,000.00.

1 (c) Prior to distributions of property transfer tax revenues under 10 V.S.A.
2 § 312, 24 V.S.A. § 4306(a), and subdivision 435(b)(10) of this title, two
3 percent of the revenues received from the property transfer tax shall be
4 deposited in a special fund in the Department of Taxes for Property Valuation
5 and Review administration costs.

6 (d)(1) Prior to any distribution of property transfer tax revenue under 10
7 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and
8 subsection (c) of this section, \$2,500,000.00 of the revenue received from the
9 property transfer tax shall be transferred to the Vermont Housing Finance
10 Agency to pay the principal of and interest due on the bonds, notes, and other
11 obligations authorized to be issued by the Agency pursuant to 10 V.S.A. §
12 621(22), the proceeds of which the Vermont Housing and Conservation Board
13 shall use to create affordable housing pursuant to 10 V.S.A. § 314.

14 * * *

15 (e) Notwithstanding subsections (c) and (d) of this section and any other
16 provision of law to the contrary, the Commissioner of Taxes shall annually
17 estimate the revenue raised by the surcharge imposed pursuant to subdivision
18 9602(4) of this chapter and transfer that same amount to the General Fund
19 established under section 435 of this title.

20 * * * Affordable Housing Tax Credit; Manufactured Homes * * *

21 Sec. 6. 32 V.S.A. § 5930u(g) is amended to read:

1 (g)(1) In any fiscal year, the allocating agency may award up to:

2 (A) \$400,000.00 in total first-year credit allocations to all applicants
3 for rental housing projects, for an aggregate limit of \$2,000,000.00 over any
4 given five-year period that credits are available under this subdivision (A);

5 (B) ~~\$425,000.00~~ \$675,000.00 in total first-year credit allocations for
6 loans or grants for owner-occupied unit financing or down payment loans as
7 provided in subdivision (b)(2) of this section consistent with the allocation
8 plan, including for new construction and manufactured housing, for an
9 aggregate limit of ~~\$2,125,000.00~~ \$3,375,000.00 over any given five-year
10 period that credits are available under this subdivision (B). Of the total first-
11 year credit allocations made under this subdivision (B), \$250,000.00 shall be
12 used each fiscal year for manufactured home purchase and replacement.

13 (2) If the full amount of first-year credits authorized by an award are not
14 allocated to a taxpayer, the Agency may reclaim the amount not allocated and
15 re-award such allocations to other applicants, and such re-awards shall not be
16 subject to the limits set forth in subdivision (1) of this subsection.

17

18 (Committee vote: _____)

19

20

Representative _____

21

FOR THE COMMITTEE