



# **VERMONT**

## **Tax Expenditures**

### **2021 Biennial Report**

January 15, 2021  
Pursuant to 32 V.S.A § 312.

Legislative Joint Fiscal Office  
Vermont Department of Taxes



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# 2021 Vermont Tax Expenditure Report

## Introduction

This 2021 Vermont Tax Expenditure Report is a continuing effort to catalogue all exemptions, exclusions, deductions, credits, preferential rates or deferral of liability as defined in 32 V.S.A. § 312 (a) applicable to the state's major tax sources and provide an estimate of the fiscal effect for each. Tax expenditure reporting is now in its sixteenth year in Vermont and is improved to reflect more recent research and recommended best practices.<sup>2</sup>

This report is accompanied by a separate report reviewing certain tax expenditures (full and expedited reviews) as required by Sec. 40 of Act 134 of 2016. An expedited review analyzes the purpose of a tax expenditure, delineates its cost and benefits, and considers whether it meets its policy goal. This 2021 report reviews tax expenditures related to enhancing community development, including housing and historic revitalization.<sup>3</sup> The Joint Fiscal Office completed the expedited reviews with data assistance and legal analyses as needed from the Department of Taxes.

Tax expenditures are statutory provisions that reduce the amount of revenue that would otherwise be collected in order to encourage a particular activity or to limit the amount of taxes collected from groups of individuals. Tax expenditures have essentially the same fiscal effects as direct government appropriations. Most states publish tax expenditure reports on a regular basis with a variety of information included in order to increase transparency and illuminate the public policy choices being made through the tax code.

The Legislature has codified statutory purposes for each tax expenditure as well as defined tax expenditures for reporting requirements. Four categories of items are not considered tax expenditures: 1) revenue outside the taxing power of the State; 2) provisions outside the normal structure of a particular tax; 3) revenue foregone as unduly burdensome to administer; and 4) those excluded for the purpose of avoiding government taxing itself. This report encompasses expenditures to the major income taxes (individual and corporate); the major sales taxes (sales and use, meals and rooms, and purchase and use); alternative business taxes (bank franchise and insurance premiums), property taxes, and transportation excise taxes (gasoline and diesel fuel). This represents the majority of the State's annual tax revenue. Vermont has additional tax sources that raise smaller amounts of revenue that are not included in the report.

The estimates provided in this report are for the value in a fiscal year of providing a particular tax expenditure. These values are estimated in isolation without regard to the

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<sup>2</sup> NCSL Tax Expenditure Budgets and Reports: Best Practices  
[http://www.ncsl.org/documents/task\\_forces/Tax\\_Expenditure\\_Report.pdf](http://www.ncsl.org/documents/task_forces/Tax_Expenditure_Report.pdf)

<sup>3</sup> This report also includes a full review of the clothing and footwear tax exemption which was scheduled for review in the 2023 report as part of reviews of tax expenditures related to promoting income security, encouraging work, and exempting the necessities of life. However, due to the number of tax expenditures in that group, JFO reviewed one of those expenditures in the 2021.

interaction with other provisions in the tax code, implementation issues, or other considerations. Therefore, these values are not a substitute for a more detailed analysis of the revenue gain that would result from the elimination of one of these expenditures in the legislative context.

## **Organization of the Report**

The report is divided into sections according to tax type with the descriptive list of tax expenditures, including statutory reference, date of enactment, estimated foregone revenue, statutory purpose, and a brief description. At the end of each section is a summary of the expenditures and multiple year data as well as projections for the upcoming budget year.

### ***Brief Definitions of the Various Tax Bases***

#### **Individual and Corporate Income Tax**

The tax value of a tax expenditure differs depending on whether it is a deduction or exclusion from taxable income, a reduction of the Vermont tax prior to applying the income adjustment, income that is exempt and part of the adjustment calculation, or a credit against tax, which may be refundable or nonrefundable. Prior to Tax Year 2018, Vermont personal income taxes were linked to the federal tax structure and the State used federal taxable income as the starting point for calculating State income taxes for both the State individual and the corporate income tax. Beginning in Tax Year 2018, the starting point for calculating personal income taxes is federal Adjusted Gross Income. Subtractions from this starting point (Vermont Standard Deduction, Personal Exemption) are Vermont specific. Corporate income taxes remain linked to federal corporate taxable income.

#### **Sales and Use Tax**

Vermont adopted a definition<sup>4</sup> of “retail sale” developed by a consortium of states as part of the Streamlined Sales and Use Tax Agreement. With some exceptions, this is the tax base and the starting point for the sales and use tax. Estimating expenditures in sales and use taxes presents different challenges because Vermont does not require the collection of data on exempted sales. Therefore, the estimates contained in this report are based on data from a variety of sources for different years and using different methodologies. When using data sources that do not have annual updates, the data have been adjusted for inflation.

#### **Meals and Rooms Tax**

The tax on meals<sup>5</sup> and rooms was enacted in 1959. The tax on alcoholic beverages was added in 1963. Unlike the sales tax chapter, the meals and rooms tax does not contain an exemption statute. Most of the exemptions or exclusions are found in definitions. The meals and rooms tax poses similar challenges as the sales and use tax for estimation of tax expenditures and the same methodology is used for estimating these expenditures.

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<sup>4</sup> included in 32 V.S.A. § 9701(5)

<sup>5</sup> The definition of “taxable meal” was substantially rewritten in 1993.

## **Property Tax**

This section of the tax expenditure report is for exemptions from the statewide education property tax, including both the homestead and the nonresidential portions of the education grand list. With only two exceptions, both categories of the grand list are made up of real property - that is land and improvements to land - as opposed to personal property. Homestead property means a principal dwelling and land; nonresidential property specifically excludes personal property. The two exceptions from the personal property exclusion are “utility cables and line, poles, and fixtures” and “gas distribution lines.” A property tax expenditure is almost always a total exemption from tax or an adjustment to the value of the property that results in a lower tax. The tax expenditures in the enumerated list are organized according to type; ordinary exemptions; adjustments to property values; session law exemptions; and property taxed under alternate schemes.

## **Bank Franchise Tax**

Financial institutions doing business in Vermont are taxed on the average monthly deposits held in Vermont by the corporation. There are two categories of tax expenditures reported: deposits in State-chartered credit unions that are not subject to the tax, and expenditures that include tax credits. Credits can be awarded to financial institutions for direct investment or, in the case of the downtown and village center credits, indirectly through bank credit certificates.

## **Insurance Premiums Tax**

Insurance companies doing business in Vermont are taxed on the premiums and assessments written on business in the State. Certain organizations are exempt from paying the insurance premiums tax. There are also some Vermont tax credits available to insurance companies to offset tax liability.

## **Gasoline and Diesel Taxes**

The Department of Motor Vehicles (DMV) has a gross figure for the amount of tax-exempt gallons of gasoline and diesel sold in Vermont. The tax expenditure estimates are derived by using data from several sources to estimate the quantity of dealer to dealer sales and the quantity of diesel fuel purchases by State and local government entities and public transit agencies, and these are parsed out from the total provided by DMV.

## **Motor Vehicle Purchase and Use Tax**

The purchase and use tax is based on the value of a vehicle less the value of a vehicle traded. The Department of Motor Vehicles (DMV) database includes transactions exempted in seven categories and contains information on the vehicle type, make, model, and year, but not the sales price. The expenditure estimate is derived by multiplying the number of transactions in each category by the average tax paid per taxable transaction. There is also an estimate based on a sample of transactions of the additional tax revenue if there was no trade-in allowance. The Joint Fiscal Office and the Vermont Department of Taxes have made estimates based on the best data

available for each of the tax types. As additional data or improved methodologies become known, the estimates may be updated and improved.



# INDIVIDUAL AND CORPORATE INCOME TAX EXPENDITURES

## LIST OF FISCAL YEAR 2019 INDIVIDUAL INCOME TAX EXPENDITURES

### 1.000 Adjustments to Taxable Income

#### 1.001 Vermont Standard Deduction

Statute: 32 V.S.A. § 5811(21)(C)(ii)-(iii)  
Enacted: 2018  
Estimate: \$ 129,809,000  
# Taxpayers: 352,164

Statutory Purpose: None

Each individual income taxpayer in Vermont is entitled to take a standard deduction equal to \$12,300 for a married couple, \$6,150 for a single filer, and \$9,200 for a head of household. An additional \$1,000 is deduction can be taken for taxpayers over the age of 65 or blind taxpayers.

Prior to 2018, because the starting point for Vermont personal income taxes was Federal taxable income, the Federal standard deduction flowed through to Vermont. Previous tax expenditure reports catalogued this as a Federal flow-through expenditure. After 2018, the expenditure was largely the same, however, it was a Vermont-specific deduction rather than a federal flow-through.

#### 1.002 Vermont Personal Exemptions

Statute: 32 V.S.A. § 5811(21)(C)(i)  
Enacted: 2018  
Estimate: \$ 108,331,000  
# Taxpayers: 318,941

Statutory Purpose: None

Vermont allows taxpayers to take \$4,250 per person in personal exemptions for the taxpayer, spouse, and each qualifying dependent.

Prior to 2018, because the starting point for Vermont personal income taxes was Federal taxable income, the Federal standard deduction flowed through to Vermont. Previous tax expenditure reports catalogued this as a Federal flow-through expenditure. After 2018, the expenditure was largely the same, however, it was a Vermont-specific deduction rather than a federal flow-through.

1.003 Vermont Municipal Bond Income Exemption

Statute: 32 V.S.A. § 5811(21)(A)(i)  
Enacted: 1986  
Estimate: \$ 2,200,000  
# Taxpayers: 5,587

Statutory Purpose: 32 V.S.A. § 5813(a)

The statutory purpose of the exemption for Vermont municipal bond income in subdivision 5811(21)(A)(i) of this title is to lower the cost of borrowing in order to finance State and municipal projects.

Interest income from Vermont State and local government obligations is exempt from taxation in Vermont. However, interest income from non-Vermont State and local obligations is added to the amount of federal taxable income.

1.004 Capital Gains Exclusion

Statute: 32 V.S.A. § 5811(21)(B)(ii)  
Enacted: 2002; amended 2009, 2010  
Estimate: \$ 20,690,000  
# Taxpayers: 46,220

Statutory Purpose: 32 V.S.A. § 5813(b)

The statutory purpose of the Vermont flat capital gains exclusion in subdivision 5811(21)(B)(ii) of this title is intended to increase savings and investment by making the effective tax rate on capital gains income lower than the effective tax rate on earned income while exempting a portion of the gain that may represent inflation. The 40 percent business capital gains exclusion mitigates the impact of one-time realizations in a progressive tax structure.

Taxpayers may reduce taxable income by up to \$5,000 in adjusted net capital gain income or 40% adjusted net capital gain income from the sale of certain business assets held for more than three years. The exclusion amount cannot exceed 40% of federal taxable income. Beginning tax year 2019, the 40% exclusion is limited to \$875,000 worth of capital gains.

1.005 Social Security Exemption

Statute: 32 V.S.A. § 5811(21)(B)(iv)  
Enacted: 2018  
Estimate: \$ 5,470,000  
# Taxpayers: 25,425

Statutory Purpose: 32 V.S.A. § 5813(w)

The statutory purpose of the partial exemption of federally taxable benefits under the Social Security Act in section 5830e of this title is to lessen the tax burden on Vermonters with low to moderate income who derive part of their income from Social Security benefits.

A taxpayer's Social Security benefits are permitted to be excluded from their taxable income depending upon their income. 100% of Social Security benefits are exempt for a single taxpayer with adjusted gross income (AGI) of less than \$45,000 and a married couple with AGI less than \$60,000. The benefit is phased out over the next \$10,000 such that single taxpayers with AGI above \$55,000 and married couples with AGI above \$70,000 receive no exemption.

1.006 Vermont Medical Deduction

Statute: 32 V.S.A. § 5811(21)(C)(iv)  
Enacted: 2019  
Estimate: \$0 (effective FY 2020)  
# Taxpayers: 0

Statutory Purpose: None

The medical deduction allows Vermont taxpayers to deduct medical and dental expenses beyond the Vermont standard deduction and personal exemptions. Entrance and monthly fees to continuing care retirement communities are not eligible for the deduction.

## **1.100 Vermont Tax Credits Applied before Income Adjustment**

### **1.101 Credit for Child and Dependent Care**

Statute: 32 V.S.A. § 5822(d)  
Enacted: 1967  
Estimate: \$ 1,708,000  
# Taxpayers: 13,650

Statutory Purpose: 32 V.S.A. § 5813(c)

The statutory purpose of the Vermont credit for child and dependent care in subsection 5822(d) of this title is to provide financial assistance to employees who must incur dependent care expenses to stay in the workforce in the absence of prekindergarten programming.

A taxpayer is entitled to a nonrefundable tax credit equal to 24% of the federal child and dependent care credit applied against federal tax liability. A taxpayer may claim this credit or the low income child and dependent care credit, but not both.

### **1.102 Credit for Elderly or Disabled**

Statute: 32 V.S.A. § 5822(d)  
Enacted: 1967  
Estimate: \$1,000  
# Taxpayers: 56

Statutory Purpose: 32 V.S.A. § 5813(d)

The statutory purpose of the Vermont credit for persons who are elderly or disabled in subsection 5822(d) of this title is to provide financial assistance to seniors and persons who are disabled with little tax-exempt retirement or disability income.

A taxpayer is entitled to a nonrefundable tax credit equal to 24% of the federal credit available to the elderly (age 65 or older) and permanently disabled, which was applied against federal tax liability.

### 1.103 Investment Tax Credit

Statute: 32 V.S.A. § 5822(d)  
Enacted: 1967  
Estimate: \$ 1,929,000  
# Taxpayers: 328

Statutory Purpose: 32 V.S.A. § 5813(e)

The statutory purpose of the Vermont investment tax credit in subsection 5822(d) of this title is to encourage Vermont business investments by lowering the effective costs of certain activities.

A taxpayer is entitled to a nonrefundable tax credit equal to 24% of the federal investment tax credit applied against federal tax liability for Vermont-property investment in the following activities: rehabilitation (IRC § 47), energy (IRC § 48(a)), advanced coal products (IRC § 48(a)), and gasification products (IRC § 48B(e)). The Business Solar Credit claimed against individual income tax under the Investment Tax Credit umbrella is the only component of this exemption that can be carried forward, and solar credits can be carried forward for a period of five years.

### 1.104 Farm Income Averaging Credit

Statute: 32 V.S.A. § 5822(c)(2)  
Enacted: 2002  
Estimate: \$ 75,000  
# Taxpayers: 129

Statutory Purpose: 32 V.S.A. § 5813(f)

The statutory purpose of the Vermont farm income averaging credit in subdivision 5822(c)(2) of this title is to mitigate the adverse tax consequences of fluctuating farm incomes under a progressive tax structure and to provide stability to farm operations.

A nonrefundable tax credit is available in the amount of 24% of the reduction in the taxpayer's federal tax liability due to farm income averaging.

### 1.105 Charitable Contributions Tax Credit

Statute: 32 V.S.A. § 5822(c)(3)  
Enacted: 2018  
Estimate: \$ 9,281,000  
# Taxpayers: 90,973

Statutory Purpose: 32 V.S.A. § 5813(x)

The statutory purpose of the charitable contribution credit in subdivision 5822(d)(3) of this title is to reduce the tax liability for Vermonters who contribute to charitable causes.

A taxpayer is entitled to a nonrefundable tax credit equal to 5% charitable contributions applied against their tax liability. The credit is applicable to the first \$20,000 in contributions.

## 1.200 Adjustments to Vermont Income Tax

### 1.201 Military Pay

Statute: 32 V.S.A. § 5823(a)(2) & (b)(3)  
Enacted: 1966  
Estimate: \$ 1,785,000  
# Taxpayers: 1,964

Statutory Purpose: 32 V.S.A. § 5813(g)

The statutory purpose of the exemption for military pay in subdivisions 5823(a)(2) and (b)(3) of this title is to provide additional compensation for military personnel in recognition of their service to Vermont and to the country.

Exempts all military pay for full-time active duty earned outside Vermont. This also exempts the first \$2,000 of military pay earned for commander certified unit training in Vermont for National Guard or United States Reserve personnel who have a federal AGI under \$50,000. Exemption also applies to funds received through the federal armed forces educational loan repayment program.

### 1.202 Qualified Bond Interest Income Exemption

Statute: 16 V.S.A. § 2825 (VSAC); 30 V.S.A. § 8074 (VTA)  
Enacted: 1965; 2007  
Estimate: \$51,000  
# Taxpayers: 435

Statutory Purpose: 16 V.S.A. § 2826; 30 V.S.A. § 8060(c)

(a) The statutory purpose of the exemption for interest income from Vermont Student Assistance Corporation (VSAC) bonds in section 2825 of this title is to lower the cost of borrowing in order to finance education loan programs.

(c) The statutory purpose of the exemption for Vermont Telecommunications Authority (VTA) bonds and notes in section 8074 of this title is to lower the cost of borrowing in order to finance the expansion of broadband access across the State. The exemption applies to interest and income from these sources when included in a taxpayer's federal AGI.

## **1.300 Vermont Tax Credits Applied after Income Adjustment**

### **1.301 Charitable Housing Credit**

Statute: 32 V.S.A. § 5830c  
Enacted: 1990  
Estimate: \$ 61,000  
# Taxpayers: 62

Statutory Purpose: 32 V.S.A. § 5813(h)

The statutory purpose of the Vermont charitable housing credit in section 5830c of this title is to enable lower capital cost to certain affordable housing charities by restoring some of the forgone investment income through a tax credit to the investor.

Vermont taxpayers may receive nonrefundable credit equal to the difference between the net income that would have been received at the charitable threshold rate and the actual net income received by, or credited to, the taxpayer. The credit cannot exceed 3% of the average outstanding principal balance of the investment during the taxable year. Unused credits may be carried forward for three years.

### **1.302 Affordable Housing Credit**

Statute: 32 V.S.A. § 5930u  
Enacted: 2000  
Estimate: \$10,000  
# Taxpayers: 15

Statutory Purpose: 32 V.S.A. § 5813(i)

The statutory purpose of the Vermont affordable housing credit in section 5930u of this title is to increase the capital available to certain affordable housing projects for construction or rehabilitation by attracting up-front private investment.

A nonrefundable tax credit may be taken for an affordable rental housing project or owner-occupied affordable housing units, provided the project has been authorized by the Vermont Housing Finance Agency. The amount of the credit is based on a taxpayer's eligible cash contribution and the agency's allocation plan. Total tax credits available to the taxpayer are the amount of the first-year allocation plus the succeeding four years' deemed allocation. (These credits are taken almost exclusively against bank franchise tax and insurance premiums tax.)



1.303 Qualified Sale of Mobile Home Park Credit

Statute: 32 V.S.A. § 5828  
Enacted: 1998  
Estimate: Not disclosed  
# Taxpayers: Fewer than 10

Statutory Purpose: 32 V.S.A. § 5813(j)

The statutory purpose of the Vermont qualified sale of a mobile home park credit in section 5828 of this title is to encourage sales of mobile home parks to a group composed of a majority of the mobile home park leaseholders, or to a nonprofit organization that represents such a group, and, in doing so, to provide stability to the inhabitants of such mobile home parks.

The taxpayer is entitled to a nonrefundable credit worth 7% of the taxpayer's gain from the sale of a mobile home park. This is measured by the gain subject to federal income tax. Unused credits may be carried forward for three years.

1.304 Higher Education Investment Credit

Statute: 32 V.S.A. § 5825a  
Enacted: 2003 (revised in 2007)  
Estimate: \$ 3,399,000  
# Taxpayers: 6,248

Statutory Purpose: 32 V.S.A. § 5813(k)

The statutory purpose of the Vermont higher education investment credit in section 5825a of this title is to encourage contributions to 529 plans that would not otherwise occur and to lower the cost of higher education for Vermont students and the Vermont taxpayers who financially support them.

A taxpayer, including each spouse filing a joint return, is entitled to a nonrefundable credit of 10% for the first \$2,500 contributed for each beneficiary to a Vermont higher education investment plan account. A recipient of this credit is subject to a 10% repayment for any distribution not excluded from federal AGI, up to a maximum of the total credits received.

1.305 Entrepreneurs' Seed Capital Fund Credit

Statute: 32 V.S.A. § 5830b  
Enacted: 2004  
Estimate: \$0  
# Taxpayers: None

Statutory Purpose: 32 V.S.A. § 5813(l)

The statutory purpose is to provide incentives for investment in the Seed Capital Fund, ensuring it has sufficient capital to make equity investments in Vermont businesses.

A taxpayer who contributes to the Seed Capital Fund may claim a nonrefundable credit equal to the lesser of either 4% of the taxpayer's contribution or 50% of the taxpayer's tax liability for the year prior to claiming the credit, provided that the aggregate credit allowable for all taxable years not exceed 20% of the taxpayer's contribution to the initial capitalization of the fund. Unused credits may be carried forward for four years.

1.306 Historic Rehabilitation Tax Credit

Statute: 32 V.S.A. § 5930cc(a); see § 5930aa – 3930ff  
Enacted: 2006  
Estimate: Not disclosed  
# Taxpayers: Fewer than 10

Statutory Purpose: 32 V.S.A. § 5813(m)

The statutory purpose of the Vermont historical rehabilitation tax credit in subsection 5930cc(a) of this title is to provide incentives to improve and rehabilitate historic properties in designated downtowns and village centers.

A taxpayer who is deemed qualified by the Vermont Downtown Development Board and completes a qualified historic rehabilitation project may claim a nonrefundable credit of 10% of those qualified rehabilitation expenditures. Unused credits may be carried forward for nine years. (A substantial number of these credits are taken against bank franchise tax.)

1.307 Façade Improvement Tax Credit

Statute: 32 V.S.A. § 5930cc(b); see § 5930aa – 5930ff  
Enacted: 2006  
Estimate: \$59,000  
# Taxpayers: 11

Statutory Purpose: 32 V.S.A. § 5813(n)

The statutory purpose of the Vermont facade improvement tax credit in subsection 5930cc(b) and sections 5930aa–5930ff of this title is to provide incentives to improve facades and rehabilitate historic properties in designated downtowns and village centers.

Taxpayers are eligible for a nonrefundable credit equal to 25% of expenditures up to \$25,000 on a qualified façade improvement project, as approved by the Vermont Downtown Development Board. Unused credits may be carried forward for nine years. (A substantial number of these credits are taken against bank franchise tax.)

1.308 Code Improvement Tax Credit

Statute: 32 V.S.A. § 5930cc(c); see § 5930aa – 5930ff  
Enacted: 2006  
Estimate: \$145,000  
# Taxpayers: 15

Statutory Purpose: 32 V.S.A. § 5813(o)

The statutory purpose of the Vermont code improvement tax credit in subsection 5930cc(c) and sections 5930aa–5930ff of this title is to provide incentives to improve and rehabilitate historic properties in designated downtowns and village centers.

Taxpayers are eligible for a nonrefundable credit equal to 50% of costs for qualified code improvement or installation projects, up to the following limits: \$12,000 for a platform lift, \$50,000 for an elevator or sprinkler system, and \$25,000 for combined costs of all other code improvement and installation projects, as approved by the Vermont Downtown Development Board. Unused credits may be carried forward for nine years. (A substantial number of these credits are taken against bank franchise tax.)

1.309 Research and Development Tax Credit

Statute: 32 V.S.A. § 5930ii  
Enacted: 2009; effective tax year 2011; modified in 2014  
Estimate: \$734,000  
# Taxpayers: 126

Statutory Purpose: 32 V.S.A. § 5813(p)  
The statutory purpose of the Vermont research and development tax credit in section 5930ii of this title is to encourage business investment in research and development within Vermont and to attract and retain intellectual-property-based companies.

A taxpayer is eligible for a nonrefundable credit equal to 27% of the amount of the federal tax credit for eligible R&D expenditures made within Vermont. Unused credits may be carried forward for ten years. (Note: Tax Years 2011-2013 credit was 30%)

**1.400 Refundable Credits**

1.401 Low-Income Child and Dependent Care Credit

Statute: 32 V.S.A. § 5828c  
Enacted: 2002  
Estimate: \$53,000  
# Taxpayers: 249

Statutory Purpose: 32 V.S.A. § 5813(r)  
The statutory purpose of the Vermont low-income child and dependent care tax credit in section 5828c of this title is to provide cash relief to lower-income employees who incur dependent care expenses in certified centers to enable them to remain in the workforce.

A refundable credit is available for taxpayers with federal AGI under \$30,000, if filing individually, or \$40,000, if married filing jointly. The credit is equal to 50% of the federal child and dependent care credit for child and dependent care services procured in Vermont, so long as the facility providing these services has been certified by the Agency of Human Services.

1.402 Earned Income Tax Credit

Statute: 32 V.S.A. § 5828b  
Enacted: 1988  
Estimate: \$ 27,723,000  
# Taxpayers: 40,212

Statutory Purpose: 32 V.S.A. § 5813(s)

The statutory purpose of the Vermont earned income tax credit in section 5828b of this title is to provide incentives for low-income working families and individuals and to offset the effect on these Vermonters of conventionally regressive taxes.

Any taxpayer entitled to a federal earned income tax credit may claim a Vermont EITC in the amount of 36% of the federal credit, proportional to the percentage of total income that was earned or received in Vermont.

**1.500 Repealed, Expired, or Credits in Carry-Forward Status Only**

1.501 Vermont Business Solar Energy Credit (carry-forward only)

Statute: 32 V.S.A. § 5930z  
Enacted: 2002; 2011 (FY12) last year of claims  
Estimate: \$180,000  
# Taxpayers: 36

A nonrefundable tax credit of 76% of the Vermont-property portion of the business solar energy tax credit component of the federal investment tax credit applied against the taxpayer's federal tax liability. This credit, in combination with the 24% Investment Tax Credit, provides a total credit of 100% of the amount of the federal business solar energy credit. The credit may be carried-forward for up to 5 years.

## Vermont Individual Income Tax Expenditures

Item Number	Individual Income Tax Expenditure	FY 2018 actual	FY 2019 actual	FY 2022 projected
1.001	Vermont Standard Deduction	129,809,000	132,950,000	136,000,000
1.002	Vermont Personal Exemptions	108,330,000	110,269,000	112,000,000
1.003	Vermont Municipal Bond Income	2,200,000	2,063,000	2,000,000
1.004	Capital Gains Exclusion	20,688,000	18,810,000	18,000,000
1.005	Vermont Social Security Exemption	5,459,000	5,924,000	6,400,000
1.006	Medical Expense Deduction	-	4,285,000	4,300,000
1.101	Credit for Child and Dependent Care	1,708,000	1,694,000	1,700,000
1.102	Credit for Elderly or Disabled	1,000	1,000	1,500
1.103	Investment Tax Credit	1,929,000	1,740,000	1,800,000
1.104	Farm Income Averaging Credit	75,000	74,000	75,000
1.105	Charitable Contributions Tax Credit	9,281,000	9,284,000	9,300,000
1.201	Military Pay Exemption	1,785,000	1,784,000	1,780,000
1.202	Qualified Bond Interest Income Exemption	43,000	52,000	50,000
1.301	Charitable Housing Credit	61,000	76,000	75,000
1.302	Affordable Housing Credit	10,000	*	20,000
1.303	Qualified Sale of Mobile Home Park Credit		*	50,000
1.304	Higher Education Investment Credit	3,399,000	3,609,000	4,000,000
1.305	Entrepreneurs' Seed Capital Fund Credit	*	*	5,000
1.306	Historic Rehabilitation Tax Credit (Downtown)	*	*	1,000,000
1.307	Façade Improvement Tax Credit (Downtown)	59,000	*	50,000
1.308	Code Improvement Tax Credit (Downtown)	145,000	56,000	100,000
1.309	Research and Development Tax Credit	734,000	687,000	700,000
1.401	Low Income Child and Dependent Care Credit	53,000	44,000	50,000
1.402	Earned Income Tax Credit	27,723,000	26,568,000	27,000,000
1.501	Vermont Business Solar Energy Credit	180,000	677,000	500,000
* Sum of Suppressed Data (Fewer than 10 claimants)		52,000	394,000	
<b>Total</b>		<b>313,724,000</b>	<b>320,648,000</b>	<b>326,956,500</b>

## LIST OF FISCAL YEAR 2019 CORPORATE INCOME TAX EXPENDITURES

### **2.000 Adjustments to Federal Taxable Income**

#### **2.001 Vermont Municipal Bond Income Exemption**

Statute: 32 V.S.A. § 5811(21)(A)(i)  
Enacted: 1986  
Estimate: Inadequate data  
# Taxpayers: Data unavailable

Statutory Purpose: 32 V.S.A. § 5813(a)

The statutory purpose of the exemption for Vermont municipal bond income in subdivision 5811(21)(A)(i) of this title is to lower the cost of borrowing in order to finance State and municipal projects.

Interest income from Vermont State and local government obligations is exempt from taxation in Vermont. However, interest income from non-Vermont state and local obligations is added to the amount of federal taxable income.

### **2.100 Vermont Tax Credits**

#### **2.101 Charitable Housing Credit**

Statute: 32 V.S.A. § 5830c  
Enacted: 1990  
Estimate: \$0  
# Taxpayers: None

Statutory Purpose: 32 V.S.A. § 5813(h)

The statutory purpose of the Vermont charitable housing credit in section 5830c of this title is to enable lower capital cost to certain affordable housing charities by restoring some of the forgone investment income through a tax credit to the investor.

Vermont taxpayers who make an authorized charitable investment in an eligible housing charity are entitled to a nonrefundable credit in the amount equal to the difference between the net income that would have been received at the charitable threshold rate and the actual net income received by, or credited to, the taxpayer. The credit cannot exceed 3% of the average outstanding principal balance of the investment during the taxable year. Unused credits may be carried forward for three years.

## 2.102 Affordable Housing Credit

Statute: 32 V.S.A. § 5930u  
Enacted: 2000  
Estimate: \$0  
# Taxpayers: None

Statutory Purpose: 32 V.S.A. § 5813(i)

The statutory purpose is to increase the capital available to certain affordable housing projects for construction or rehabilitation by attracting up-front private investment.

A nonrefundable tax credit may be taken for an affordable rental housing project or owner-occupied affordable housing units, provided the project has been authorized by the Vermont Housing Finance Agency. The amount of the credit is based on a taxpayer's eligible cash contribution and the agency's allocation plan. Total tax credits available to the taxpayer are the amount of the first-year allocation plus the succeeding four years' deemed allocation. (These credits are taken almost exclusively against bank franchise tax and insurance premiums tax.)

## 2.103 Qualified Sale of Mobile Home Park Credit

Statute: 32 V.S.A. § 5828  
Enacted: 1998  
Estimate: \$0  
# Taxpayers: None

Statutory Purpose: 32 V.S.A. § 5813(j)

The statutory purpose of the Vermont qualified sale of a mobile home park credit in section 5828 of this title is to encourage sales of mobile home parks to a group composed of a majority of the mobile home park leaseholders, or to a nonprofit organization that represents such a group, and, in doing so, to provide stability to the inhabitants of such mobile home parks.

The taxpayer is entitled to a nonrefundable credit worth 7% of the taxpayers gain from the sale of a mobile home park. This is measured by the gain subject to federal income tax. Unused credits may be carried forward for three years.



2.104 Entrepreneurs' Seed Capital Fund Credit

Statute: 32 V.S.A. § 5830b  
Enacted: 2004  
Estimate: \$0  
# Taxpayers: None

Statutory Purpose: 32 V.S.A. § 5813(l)  
The statutory purpose is to provide incentives for investment in the Seed Capital Fund, ensuring it has sufficient capital to make equity investments in Vermont businesses.

A taxpayer who contributes to the Seed Capital Fund may claim a nonrefundable credit equal to the lesser of either 4% of the taxpayer's contribution or 50% of the taxpayer's tax liability for the year prior to claiming the credit, provided that the aggregate credit allowable for all taxable years not exceed 20% of the taxpayer's contribution to the initial capitalization of the fund. Unused credits may be carried forward for four years.

2.105 Historic Rehabilitation Tax Credit

Statute: 32 V.S.A. § 5930cc(a); see §§ 5930aa - 5930ff  
Enacted: 2006  
Estimate: \$0  
# Taxpayers: None

Statutory Purpose: 32 V.S.A. § 5813(m)  
The statutory purpose of the Vermont historical rehabilitation tax credit in subsection 5930cc(a) of this title is to provide incentives to improve and rehabilitate historic properties in designated downtowns and village centers.

Credit equals 10% of qualified rehabilitation expenditures as defined in the I.R.C. § 26 U.S.C. § 47(c).

2.106 Façade Improvement Tax Credit

Statute: 32 V.S.A. § 5930cc(b); see §§ 5930aa - 5930ff  
Enacted: 2006  
Estimate: \$0  
# Taxpayers: None

Statutory Purpose: 32 V.S.A. § 5813(n)  
The statutory purpose of the Vermont facade improvement tax credit in subsection 5930cc(b) and sections 5930aa–5930ff of this title is to provide incentives to improve facades and rehabilitate historic properties in designated downtowns and village centers.

Credit equals 25% of qualified expenditures for façade improvements, up to a maximum amount of \$25,000.

## 2.107 Code Improvement Tax Credit

Statute: 32 V.S.A. § 5930cc(c); see § § 5930aa - 5930ff  
Enacted: 2006  
Estimate: \$0  
# Taxpayers: None

Statutory Purpose: 32 V.S.A. § 5813(o)

The statutory purpose of the Vermont code improvement tax credit in subsection 5930cc(c) and sections 5930aa–5930ff of this title is to provide incentives to improve and rehabilitate historic properties in designated downtowns and village centers.

A qualified applicant is eligible for a tax credit of 50% for qualified expenditures up to a maximum of \$12,000 for installation or improvement of a platform lift, a maximum tax credit of \$50,000 for installation or improvement of a sprinkler system, and a maximum tax credit of \$25,000 for the combined costs of all other qualified code improvements.

## 2.108 Machinery and Equipment Tax Credit

Statute: 32 V.S.A. § 5930ll  
Enacted: 2010  
Estimate: \$0  
# Taxpayers: None

Statutory Purpose: 32 V.S.A. § 5813(t)

The statutory purpose of the Vermont machinery and equipment tax credit in section 5930ll of this title is to provide an incentive to make a major, long-term capital investment in Vermont-based plants and property to ensure the continuation of in-state employment.

A qualified taxpayer approved by VEPC for a machinery and equipment investment tax credit certification is entitled to a nonrefundable credit in an amount equal to 10% of the total qualified capital expenditures. The total amount of credit authorized by statute is \$8 million, and may not exceed \$1 million in any one tax year. Applies to tax years beginning on January 1, 2012; repealed effective June 1, 2026.

## 2.109 Research and Development Tax Credit

Statute: 32 V.S.A. § 5930ii

Enacted: 2009; effective Tax Year 2011

Estimate: \$1,185,000

# Taxpayers: 20 – this list is for corporations and businesses that applied this tax at the entity level. Pass-through businesses were removed, as those tax expenditures are account for in the Individual Income Tax section.

Statutory Purpose: 32 V.S.A. § 5813(p)

The statutory purpose of the Vermont research and development tax credit in section 5930ii of this title is to encourage business investment in research and development within Vermont and to attract and retain intellectual-property-based companies.

A taxpayer is eligible for a nonrefundable credit equal to 27% of the amount of the federal tax credit for eligible R&D expenditures made within Vermont. Unused credits may be carried forward for ten years. (Note: Credit was 30% prior to Tax Year 2014.)

## 2.200 Repealed, Expired, or Credits in Carry-Forward Status

### 2.201 EATI Tax Credits (carry-forward only)

Statute: 32 V.S.A. § 5930a

Enacted: 1997; repealed 2006

Estimate: \$0

# Taxpayers: None

A suite of tax credits based on payroll increases, research and development investment, workforce development expenditures, or capital investments in facilities and machinery or equipment, and sales of product shipped out of state. The final taxable year in which credits can be earned is 2010; *the last year carry forward credits can be claimed is 2015.*

### 2.202 Downtown Tax Credits (carry-forward only)

Statute: 32 V.S.A. § § 5930n-5930r

Enacted: 1998, 2002, repealed 2006

Estimate: \$0

# Taxpayers: None

Four tax credits designed to assist with rehabilitation and code improvements for older and historic buildings located within designated downtowns and village centers were replaced with three credits (§ 5930cc) to make the program easier to use and administer. Credits allocated prior to July 1, 2006 remain subject to the associated statutory provisions but must be claimed by May 24, 2011.

2.203 Wood Products Manufacture Tax Credit (Repealed effective January 1, 2014)

Statute: 32 V.S.A. § 5930y  
Enacted: 2005  
Estimate: Not disclosed  
# Taxpayers: Fewer than 10

A credit of 2% of the wages paid in the taxable year by an employer for services performed in the designated counties having at least 5% of their combined jobs provided by employers that manufacture finished wood products and having the highest combined unemployment rate in the State for at least one month in the previous calendar year.

2.204 Business Solar Energy Tax Credit

Statute: 32 V.S.A. § 5930z  
Enacted: 2008  
Estimate: \$0  
# Taxpayers: None

A taxpayer is entitled to a 100% credit for the Vermont-property portion of the business solar energy tax credit component of the federal investment tax credit applied against the taxpayer's federal tax liability. Unused credits may be carried forward for five years

## Corporate Income Tax Expenditures

Item Number	Corporate Income Tax Expenditures	FY 2018 actual	FY 2019 actual	FY 2022 projected
2.001	Vermont Municipal Bond Income Exemption	Inadequate data	Inadequate data	Inadequate data
2.101	Charitable Housing Credit	0	0	0
2.102	Affordable Housing Credit	0	*	*
2.103	Qualified Sale of Mobile Home Park Credit	0	0	0
2.104	Entrepreneur's Seed Capital Fund	0	0	0
2.105	Historic Rehabilitation Tax Credit	*	0	*
2.106	Façade Improvement Tax Credit	0	0	0
2.107	Code Improvement Tax Credit	0	0	0
2.108	Machinery and Equipment Tax Credit	0	0	0
2.109	Research and Development Tax Credit	1,690,000	1,440,000	1,110,000
2.201	EATI Tax Credits (carryforward only)	0	*	*
2.202	Downtown Tax Credits (carryforward only)	*	*	Repealed
2.203	Wood Products Manufacture Tax Credit	0	0	Repealed
2.204	Business Solar Energy Tax Credit (carryforward only)	0	0	Repealed
* Suppressed Data (Fewer than 10 claimants)		*	*	
<b>Total</b>		<b>1,690,000</b>	<b>1,440,000</b>	<b>1,110,000</b>

# SALES & USE AND MEALS & ROOMS TAX EXPENDITURES

## LIST OF FISCAL YEAR 2019 SALES TAX EXPENDITURES

### 3.000 Sales Not Covered; Transactions and Entities Not Taxed

#### 3.001 Medical products

Statute: 32 V.S.A. § 9741(2)  
Enacted: 1969 (amended in 2012)  
Estimate: \$54,800,000

Statutory Purpose: 32 V.S.A. § 9706(a)

The statutory purpose of the exemption for medical products in subdivision 9741(2) of this title is to lower the cost of medical products in order to support the health and welfare of Vermont residents.

This exemption includes several categories of sales for items used in the “treatment intended to alleviate human suffering or to correct . . . human physical disabilities.” The exemption includes sales of both prescription and nonprescription drugs, supplies used for medical treatment, and durable medical equipment that is either used directly by a patient, such as an oxygen system, or used in a hospital or clinic such as x-ray or magnetic resonance imaging systems. The 2012 amendment includes nominally priced dental supplies provided to patients without charge under this exemption.

Data sources: U.S. Census Bureau Economic Census, Bureau of Economic Analysis

#### 3.002 Agricultural inputs

Statute: 32 V.S.A. § 9741(3)  
Enacted: 1969 (amended in 2014)  
Estimate: \$16,900,000

Statutory Purpose: 32 V.S.A. § 9706(b)

The statutory purpose of the exemption for agricultural inputs in subdivision 9741(3) of this title is to promote Vermont’s agricultural economy.

This exemption includes several categories of sales for items used in the production on farms of tangible personal property. The exemption applies to a list of specific items, including feed, seed, plants, baler twine, silage bags, sheets of plastic for bunker covers or agricultural wrap, and breeding or other livestock. The exemption also includes pesticides, chemicals, and fertilizers but only when used for agriculture. The 2014 amendment includes high carbon bulking agents used for commercial or on-farm composting or on-farm energy production; and compost, animal manure, manipulated animal manure, and planting mix sold in bulk.

Data sources: USDA Census of Agriculture (Vermont) 2017, BLS and US Congressional Budget Office (CBO)

3.003 Veterinary supplies

Statute: 32 V.S.A. § 9741(3)  
Enacted: 1969  
Estimate: \$2,300,000

Statutory Purpose: 32 V.S.A. § 9706(c)

The statutory purpose of the exemption for veterinary supplies in subdivision 9741(3) of this title is to lessen the cost of veterinary services in order to support the health and welfare of Vermont animals.

The same section of statute that includes agricultural inputs also exempts veterinary supplies that apply in some cases to supplies used in the treatment of non-agricultural animals. The veterinary supplies exemption is intended only for those items used in the treatment of animals at a veterinarian or for health-related items that are not otherwise available from nonveterinarian retailers.

Data sources: American Pet Products Association, American Veterinary Medicine Association and US Census CPI

3.004 Fuels for railroads and off-road uses

Statute: 32 V.S.A. § 9741(7)  
Enacted: 1969  
Estimate: \$1,280,000

Statutory Purpose: 32 V.S.A. § 9706(d)

The statutory purpose of the exemption for fuels for railroads and boats in subdivision 9741(7) of this title is to avoid the taxation of fuels for the types of transportation for which public expenditure on infrastructure is unnecessary.

Railroads are exempt under Title 23 and the use of diesel fuel in boats is exempt under the Title 32 exemption for other motor fuels. Non dyed fuels for on-road motor vehicles are taxed under Title 23.

Data sources: US Energy Information Administration (EIA)



3.005 Sales of Food

Statute: 32 V.S.A. § 9741(13)  
Enacted: 1969  
Estimate: \$89,330,000

Statutory Purpose: 32 V.S.A. § 9706(e)

The statutory purpose of the exemption for sales of food in subdivision 9741(13) of this title is to limit the cost of goods that are necessary for the health and welfare of all people in Vermont.

Food that is sold for consumption off the premises where it is sold, including groceries, is exempt from the sales tax. This includes vitamins and dietary supplements.

Data source: Bureau of Economic Analysis, Consumer Expenditure Survey (2019), U.S. Census Bureau Economic Census

3.006 Newspapers

Statute: 32 V.S.A. § 9741(15)  
Enacted: 1969; amended in 1980  
Estimate: \$1,210,000

Statutory Purpose: 32 V.S.A. § 9706(f)

The statutory purpose of the exemption for newspapers in subdivision 9741(15) of this title is to reduce the cost of access to news and community information for people in Vermont.

The sale of newspapers is exempt (including newspapers that are given away and not sold) as are the materials used in the production of newspapers, such as newsprint and ink.

Data source: U.S. Census Bureau Economic Census

3.007 Rentals of "coin-operated" washing facilities, including car washes

Statute: 32 V.S.A. § 9741(19)  
Enacted: 1970  
Estimate: \$1,100,000

Statutory Purpose: 32 V.S.A. § 9706(g)

The statutory purpose of the exemption for rentals of coin-operated washing facilities in subdivision 9741(19) of this title is to exclude from taxation facilities that are still operated with coins.

Laundry and car washing facilities whether or not coin-operated are exempt from the sales tax.

Data source: U.S. Census Bureau Economic Census

3.008 Admission fees to nonprofit museums

Statute: 32 V.S.A. § 9741(20)  
Enacted: 1970  
Estimate: \$2,840,000

Statutory Purpose: 32 V.S.A. § 9706(h)

The statutory purpose of the exemption for admission fees to nonprofit museums in subdivision 9741(20) of this title is to support the missions of certain nonprofit facilities and encourage higher visitation.

The admission fees to museums operated by organizations with a federal tax exempt status are not subject to the sales tax.

Data source: U.S. Census Bureau Economic Census

3.009 Items sold to fire, ambulance, and rescue squads

Statute: 32 V.S.A. § 9741(21)  
Enacted: 1970  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9706(i)

The statutory purpose of the exemption for items sold to fire, ambulance, and rescue squads in subdivision 9741(21) of this title is to limit the tax on organizations charged with protecting the safety of the public.

This exemption is provided to emergency responders as a particular set of users for equipment and supplies that might otherwise be taxable as tangible personal property. In addition, the materials and equipment used in the construction and renovation of buildings and other real property housing the emergency responders are exempt when purchased by contractors.

3.010 Funeral charges

Statute: 32 V.S.A. § 9741(22)  
Enacted: 1970  
Estimate: \$2,000,000

Statutory Purpose: 32 V.S.A. § 9706(j)

The statutory purpose of the exemption for funeral charges in subdivision 9741(22) of this title is to lessen the costs accumulated by the bereaved.

This exemption includes the purchase of funeral furnishings that are necessary incidents of a funeral, including caskets, vaults, and crematory urns. (The exemption does not include items sold as an accommodation, such as flowers.)

Data sources: U.S. Census Bureau Economic Census

3.011 Property used in commercial, industrial or agricultural research

Statute: 32 V.S.A. § 9741(24)  
Enacted: 1974  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9706(k)

The statutory purpose of the exemption for commercial, industrial, or agricultural research tangible personal property use in subdivision 9741(24) of this title is to reduce financial barriers to research and innovation in the commercial, industrial, and agricultural industries.

Property purchased and used in commercial, industrial or agricultural research is exempt from the sales tax.

3.012 Agricultural machinery and equipment

Statute: 32 V.S.A. § 9741(25)  
Enacted: 1974  
Estimate: \$3,140,000

Statutory Purpose: 32 V.S.A. § 9706(l)

The statutory purpose of the exemption for agricultural machinery and equipment in subdivision 9741(25) of this title is to promote Vermont's agricultural economy.

The purchase of machinery and equipment used in the production of agricultural goods and livestock is exempt from the sales tax.

Data source: USDA Census of Agriculture (VT) 2017 and Farm Production Expenditures

3.013 Energy purchases for a residence

Statute: 32 V.S.A. § 9741(26)  
Enacted: 1977  
Estimate: \$39,700,000

Statutory Purpose: 32 V.S.A. § 9706(m)

The statutory purpose of the exemption for energy purchases for a residence in subdivision 9741(26) of this title is to limit the cost of goods that are necessary for the health and welfare of Vermonters.

Electricity, fuel oil, natural gas, propane, and other fuels are subject to tax as tangible personal property. When these fuels are sold to residences, the fuel supplier or utility is not required to collect the sales tax. A fuel gross receipts tax of 0.5% of the retail sale is applied to heating oil, kerosene, other dyed diesel fuels, natural gas, propane gas, electricity, and coal used to heat a residence or business (33 V.S.A. § 2503). A gross operating revenue tax on utilities is also assessed, and the rates depend on the type of utility (30 VSA § 22).

Data sources: EIA Residential Energy Consumption Survey, BLS Household Energy Consumer Price Index

3.014 Energy purchases for farming

Statute: 32 V.S.A. § 9741(27)  
Enacted: 1977  
Estimate: \$2,120,000

Statutory Purpose: 32 V.S.A. § 9706(n)

The statutory purpose of the exemption for energy purchases for farming in subdivision 9741(27) of this title is to promote Vermont's agricultural economy.

When electricity, fuel oil, natural gas, propane and other fuels are sold to farmers, the fuel supplier or utility is not required to collect the sales tax.

Data sources: USDA Census of Agriculture (VT) 2017

3.015 Sales (or lease) of films to movie theaters

Statute: 32 V.S.A. § 9741(28)  
Enacted: 1981  
Estimate: \$800,000

Statutory Purpose: 32 V.S.A. § 9706(o)

The statutory purpose of the exemption for sales of films to movie theaters in subdivision 9741(28) of this title is to avoid double taxation.

Movie theaters that charge for admission do not need to pay sales tax on the purchase or licensed use of films from film distributors.

Data source: National Association of Theater Owners

3.016 Aircraft and depreciable parts for commercial and private (parts only) use

Statute: 32 V.S.A. § 9741(29)  
Enacted: 1986  
Estimate: Less than \$100,000

Statutory Purpose: 32 V.S.A. § 9706(p)

The statutory purpose of the exemption for aircraft and depreciable parts for commercial and private use in subdivision 9741(29) of this title is to promote the growth of the aircraft maintenance industry in Vermont by lowering the cost of parts and equipment relative to other states with private airplane maintenance facilities.

This exemption is for the purchase of aircraft for commercial use, such as the transport of people and goods for compensation and hire. The current exemption also includes the purchase of parts, machinery, and equipment to be installed in any aircraft regardless of whether it is purchased for commercial or private, noncommercial use. Under current law, the exemption of parts and equipment for private, noncommercial use sunset effective July 1, 2018.

Data source: Chainbridge Vermont Sales Tax Model

3.017 Railroad rolling stock and depreciable parts

Statute: 32 V.S.A. § 9741(30)  
Enacted: 1986  
Estimate: \$200,000

Statutory Purpose: 32 V.S.A. § 9706(q)

The statutory purpose of the exemption for railroad rolling stock and depreciable parts in subdivision 9741(30) of this title is to increase the use of rail for transport.

This exemption includes the purchase of railroad locomotives and cars and the parts and equipment used in their maintenance.

Data source: Division of Property Valuation and Review

3.018 Ferryboats and depreciable parts

Statute: 32 V.S.A. § 9741(31)  
Enacted: 1988  
Estimate: Less than \$100,000

Statutory Purpose: 32 V.S.A. § 9706(r)

The statutory purpose of the exemption for ferryboats and depreciable parts in subdivision 9741(31) of this title is to increase the use of ferries for transport.

This exemption includes the purchase of ferries used in the transport of people and property for compensation or hire, and the parts and equipment used in their maintenance.

Data source: History of Lake Champlain Ferries 1947–2005.

3.019 Sales of mobile homes and modular housing

Statute: 32 V.S.A. § 9741(32)  
Enacted: 1989  
Estimate: \$300,000

Statutory Purpose: 32 V.S.A. § 9706(s)

The statutory purpose of the exemption for sales of mobile homes and modular housing in subdivision 9741(32) of this title is to create equity between mobile and modular housing and traditional residential construction by providing an exemption for the estimated portion of the cost attributable to labor (versus materials).

Forty percent of the sales price of a new mobile home or manufactured home is exempt from the sales tax (the remaining 60% is subject to the sales tax). In the case of a used mobile home or manufactured home when sold as real estate, there is no sales tax. Real estate transactions are subject to the property transfer tax.

Data Source: U.S. Census Bureau, Manufactured Housing Survey

3.020 U.S. flag sold to or by exempt veterans' organizations

Statute: 32 V.S.A. § 9741(33)  
Enacted: 1990  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9706(t)

The statutory purpose of the exemption for the United States flag sold to or by exempt veterans' organizations in subdivision 9741(33) of this title is to support veterans' organizations in performing their traditional functions.

U.S. flags purchased or sold by exempt veteran's organizations are exempt from the sales tax.

3.021 Property transferred as part of personal service transaction or transfer of intangible property rights

Statute: 32 V.S.A. § 9741(35)  
Enacted: 1995  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9706(u)

The statutory purpose of the exemption for property transferred as an incidental part of a personal service transaction or transfer of intangible property rights in subdivision 9741(35) of this title is to forgo taxation when the cost of compliance exceeds the revenues.

Transactions that focus on the sale of personal services such as bookkeeping or hair styling or the transfer of intangible property, such as stocks or marketing logos, may also require the transfer of tangible property. The transaction is exempt from sales tax as long as the value of the tangible personal property transferred is less than 10% of the sales price for the complete transaction.

3.022 Advertising materials

Statute: 32 V.S.A. § 9741(36)  
Enacted: 1995  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9706(v)

The statutory purpose of the exemption for advertising materials in subdivision 9741(36) of this title is to exclude tangible personal property from taxation if it is incidental to a larger service.

Transactions that transfer the right to use advertising materials are exempt from sales tax. Such transactions may include the transfer of a single copy of advertising materials to the purchasing customer.

3.023 Documents that record a professional service

Statute: 32 V.S.A. § 9741(37)  
Enacted: 1995  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9706(w)

The statutory purpose of the exemption for documents that record a professional service in subdivision 9741(37) of this title is to exclude tangible personal property from taxation if it is incidental to a service package.

Bills, invoices, briefs, agreements, and wills are examples of documents that may be provided to customers without the payment of the sales tax on the price of the transaction.

3.024 Tracked vehicles

Statute: 32 V.S.A. § 9741(38)  
Enacted: 1997  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9706(x)

The statutory purpose of the tracked vehicles cap in subdivision 9741(38) of this title is to lessen the cost of capital investments.

The sale of tracked vehicles is subject to the sales tax. The exemption applies on sales that would otherwise result in a tax paid above a capped amount. The cap is required by law to be adjusted by the CPI as of July 1 in each even-numbered year. The cap was \$1,200 in FY 2011 and \$1,260 in FY 2012.

3.025 Sales of building materials

Statute: 32 V.S.A. § 9741(39)(i) and (ii)  
Enacted: 1997  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9706(y)

The statutory purpose of the exemption for sales of building materials in subdivisions 9741(39) of this title is to provide incentives to restore and revitalize downtown districts.

Sales of building materials within any three consecutive years in excess of \$1,000,000.00 in purchase value used in the construction, renovation, or expansion of facilities which are used exclusively, except for isolated or occasional uses, for the manufacture of tangible personal property for sale.

3.026 Scrap construction materials by a third party

Statute: 32 V.S.A. § 9741(43)  
Enacted: 1998  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9706(z)

The statutory purpose of the exemption for third party scrap construction materials in subdivision 9741(43) of this title is to promote the reuse and recycling of scrap construction materials.

Scrap materials generated during construction or demolition are not subject to sales tax if a third party takes possession of the material with no payment.



3.027 Property incorporated in railroad line

Statute: 32 V.S.A. § 9741(44)  
Enacted: 1998  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9706(aa)

The statutory purpose of the exemption for property incorporated in a railroad line in subdivision 9741(44) of this title is to increase the use of rail for transport by lowering the costs of materials.

Materials used in the construction, repair, operation, or maintenance of railroad lines are exempt from the sales tax.

3.028 Clothing and footwear

Statute: 32 V.S.A. § 9741(45)  
Enacted: 1999; all clothing and footwear exempt January 1, 2007  
Estimate: \$33,100,000

Statutory Purpose: 32 V.S.A. § 9706(bb)

The statutory purpose of the exemption for clothing and footwear in subdivision 9741(45) of this title is to limit the tax burden on the purchase of goods that are necessary for the health and welfare of all people in Vermont.

Clothing, including footwear, is exempt from the sales tax. Accessories and protective equipment are not exempt.

Data source: Bureau of Labor Statistics, Consumer Expenditure Survey, and US Census Bureau

3.029 Property incorporated into a net metering system, an on premise energy system not connected to the electric distribution system, or a solar hot water heating system

Statute: 32 V.S.A. § 9741(46)  
Enacted: 1999  
Estimate: \$1,360,000

Statutory Purpose: 32 V.S.A. § 9706(cc)

The statutory purpose of the exemptions for property incorporated into a net metering system, on premise energy systems not connected to the electric distribution system, and solar hot water heating systems in subdivision 9741(46) of this title are to increase the deployment of solar technologies until the price of solar materials and installation decreases to the point it does not need State subsidization.

Property incorporated into photovoltaic systems that are not covered by the manufacturing exemption is exempt under this specific subsection of statute. In addition, solar equipment for heating water is exempt.

Data Source: Vermont Public Service Board

3.030 Purchases by and limited purchases from 501(c)(3) organizations

Statute: 32 V.S.A. § 9743(3)  
Enacted: 1969, amended  
Estimate: \$15,400,000

Statutory Purpose: 32 V.S.A. § 9706(dd)

The statutory purpose of the exemption for purchases by and limited purchases from 501(c)(3) organizations in subdivision 9743(3) of this title is to reduce costs for certain nonprofit organizations in order to allow them to dedicate more of their financial resources to furthering the public-service missions of the organizations.

Nonprofit organizations purchases are exempt from the sales tax. Some sales by churches, schools, and other organizations are also exempt to a \$20,000 limit. These sales include garage sales and sporting equipment swap sales. Charges for entertainment sponsored by nonprofits also have a limited exemption.

Data Source: Congressional Research Service, US Census Bureau Economic Census

3.031 Building materials and supplies used in construction or, repair of buildings by governmental bodies or 501(c)(3) organizations or development corporations

Statute: 32 V.S.A. § 9743(4)  
Enacted: 1969  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9706(ee)

The statutory purpose of the exemption for building materials and supplies used in construction or repair of buildings by governmental bodies, 501(c)(3) organizations, or development corporations in subdivision 9743(4) of this title is to reduce the costs of construction for certain nonprofit organizations in order to allow them to dedicate more financial resources to their public-service missions.

This exemption includes the materials used for most public works projects as well as the construction of structures for nonprofit organizations.

3.032 Amusement charges for 4 events a year for 501(c)(4)-(13) and (19) organizations and political organizations

Statute: 32 V.S.A. § 9743(5)  
Enacted: 1983  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9706(ff)

The statutory purpose of the exemption for amusement charges for four events per year for 501(c)(4)–(13) and (19) organizations and political organizations in subdivision 9743(5) of this title is to reduce the costs for and encourage participation in a limited number of events organized by certain nonprofit organizations in order to allow these organizations to dedicate more financial resources to their public-service missions.

3.033 Amusement charges for events presented by 501(c)(3) organizations

Statute: 32 V.S.A. § 9743(7)  
Enacted: 1983 (amended 2010)  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9706(gg)

The statutory purpose of the exemption for amusement charges for events presented by 501(c)(3) organizations in subdivision 9743(7) of this title is to reduce the costs for and encourage participation in fundraising events organized by certain nonprofit organizations in order to allow these organizations to dedicate more financial resources to their public-service missions.

Nonprofit organizations under IRC 501(c)(3) may charge for live performances without collecting sales tax but only if their proceeds from the past year's events do not exceed \$100,000.

3.034 Reallocation of receipts from tax imposed on sales of construction materials

Statute: 32 V.S.A. § 9819  
Enacted: 1998  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9706(hh)

The statutory purpose of the reallocation of receipts from tax imposed on sales of construction materials in section 9819 of this title is to provide incentives to restore and revitalize certain properties in designated downtown districts.

The sales tax revenues from materials used in construction of qualified projects in designated downtown districts above certain amounts (varying by the size of the community) are allocated to the municipalities that are the location of those projects.

3.035 Sales to nonprofit hospital service corporations

Statute: 8 V.S.A. § 4518  
Enacted: 1947  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9247

The statutory purpose of the remaining exemptions in 8 V.S.A. § 4518 is to lower the cost of health services to Vermonters.

Nonprofit hospital service corporations are exempt from the sales and use tax.

3.036 Sales to nonprofit medical service corporations

Statute: 8 V.S.A. § 4590  
Enacted: 1947  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9247

The statutory purpose of the remaining exemptions in 8 V.S.A. § 4590 is to lower the cost of health services to Vermonters.

Nonprofit medical service corporations are exempt from the sales and use tax.

3.037 Sales to credit unions

Statute: 8 V.S.A. § 30901  
Enacted: 1967  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9247

The statutory purpose of the remaining exemptions in 8 V.S.A. § 30901 is to affirm the nonprofit, cooperative structure of credit unions.

Credit unions are exempt from the sales and use tax.

3.038 Sales by licensed auctioneers

Statute: 32 V.S.A. § 9741(48)  
Enacted: 2011  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9706(ii)

The statutory purpose of the exemption for sales by licensed auctioneers in subdivision 9741(48) of this title is to extend the “casual sale” exemption to sales involving an auctioneer selling on behalf of a third party.

Sales of tangible personal property are exempt from the sales tax when sold by an auctioneer and the auction is conducted on the premises of the owner of the property.

## Sales Tax Expenditure Summary

Item Number	Sales Tax Expenditure	FY 2018 estimated	FY 2019 estimated	FY 2022 projected
3.001	Medical products	53,200,000	54,800,000	59,600,000
3.002	Agricultural inputs	16,800,000	16,900,000	20,380,000
3.003	Veterinary supplies	2,200,000	2,300,000	2,300,000
3.004	Fuels for railroads and off-road uses	1,530,000	1,280,000	850,000
3.005	Sales of food	87,180,000	89,330,000	93,220,000
3.006	Newspapers	1,290,000	1,210,000	1,170,000
3.007	Rentals of washing facilities	1,100,000	1,100,000	1,100,000
3.008	Admission fees to nonprofit museums	2,790,000	2,840,000	2,890,000
3.009	Items sold to fire, ambulance and rescue squads	Not estimated	Not estimated	Not estimated
3.010	Funeral charges	2,000,000	2,000,000	2,100,000
3.011	Property used in research	Not estimated	Not estimated	Not estimated
3.012	Agricultural machinery and equipment	3,040,000	3,140,000	3,070,000
3.013	Energy purchases for a residence	36,710,000	39,700,000	39,640,000
3.014	Energy purchases for farming	2,160,000	2,120,000	2,020,000
3.015	Sales of films to movie theaters	900,000	800,000	900,000
3.016	Aircraft and depreciable parts for commercial use	Under 100,000	Under 100,000	Under 100,000
3.017	Railroad rolling stock and depreciable parts	200,000	200,000	200,000
3.018	Ferryboats and depreciable parts	Under 100,000	Under 100,000	Under 100,000
3.019	Sales of mobile homes and modular housing	300,000	300,000	300,000
3.020	U.S. flag sold to or by exempt veterans' orgs	Not estimated	Not estimated	Not estimated
3.021	Property transferred as part of personal service	Not estimated	Not estimated	Not estimated
3.022	Advertising materials	Not estimated	Not estimated	Not estimated
3.023	Documents that record a professional service	Not estimated	Not estimated	Not estimated
3.024	Tracked vehicles	Not estimated	Not estimated	Not estimated
3.025	Sales of building materials	Not estimated	Not estimated	Not estimated
3.026	Scrap construction materials by a third party	Not estimated	Not estimated	Not estimated
3.027	Property incorporated in railroad line	Not estimated	Not estimated	Not estimated
3.028	Clothing and footwear	32,300,000	33,100,000	35,000,000
3.029	Property incorporated into a net metering system	1,530,000	1,360,000	1,610,000
3.030	Purchases by and from 501(c)(3)s	15,300,000	15,400,000	16,000,000
3.031	Building materials used government of or 501(c)(3)s	Not estimated	Not estimated	Not estimated
3.032	Amusement charges by nonprofit and political orgs	Not estimated	Not estimated	Not estimated
3.033	Amusement charges presented by 501(c)(3)s	Not estimated	Not estimated	Not estimated
3.034	Reallocation of receipts from construction materials	Not estimated	Not estimated	Not estimated
3.035	Sales to nonprofit hospital service corporations	Not estimated	Not estimated	Not estimated
3.036	Sales to nonprofit medical service corporations	Not estimated	Not estimated	Not estimated
3.037	Sales to credit unions	Not estimated	Not estimated	Not estimated
3.038	Sales by licensed auctioneers	Not estimated	Not estimated	Not estimated
<b>Total</b>		<b>260,530,000</b>	<b>267,880,000</b>	<b>282,350,000</b>

## LIST OF FISCAL YEAR 2019 MEALS AND ROOMS TAX EXPENDITURES

### 4.000 Meals and Alcoholic Beverage Tax

#### 4.001 Grocery-type items furnished for take-out (meals tax only)

Statute: 32 V.S.A. § 9202(10)(D)(i)  
Enacted: 1959  
Estimate: \$6,500,000

Statutory Purpose: 32 V.S.A. § 9201(a)

The statutory purpose of the exemption for grocery-type items furnished for take-out in subdivision 9202(10)(D)(i) of this title is to limit the cost of goods that are necessary for the health and welfare of all people in Vermont.

Most food purchased from a grocery store is not subject to the meals tax. This exemption is for prepared food that is still intended for home use and includes whole pies, cakes, and loaves of bread, single-serving bakery items sold in quantities of three or more, deli and candy sales by weight, whole uncooked pizzas, and larger containers of ice cream, salad dressings, sauces, cider, or milk.

Data source: Economic Census of Vermont, Consumer Expenditure Survey

#### 4.002 Served or furnished on the premises of a nonprofit

Statute: 32 V.S.A. § 9202(10)(D)(ii)(I)  
Enacted: 1959  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9201(b)

The statutory purpose of the exemption for meals served or furnished on the premises of a nonprofit organization in subdivision 9202(10)(D)(ii)(I) of this title is to allow more of the revenues generated by certain activities to be dedicated to furthering the public-service missions of the organizations.

Nonprofit organizations may sell meals without a meals tax when those meals are sold on the premises and further the purpose of the organization. The profits from meals sold under this exemption must also be used exclusively for the nonprofit organization.

4.003 Premises of a school

Statute: 32 V.S.A. § 9202(10)(D)(ii)(II)  
Enacted: 1959  
Estimate: \$1,800,000

Statutory Purpose: 32 V.S.A. § 9201(c)

The statutory purpose of the exemption for meals provided on school premises in subdivision 9202(10)(D)(ii)(II) of this title is to reduce the overall cost of education in Vermont.

Schools may sell meals on their own grounds without collecting the meals tax. Contractors may sell meals to school students and staff under this exemption, but restaurants and caterers otherwise subject to the tax may not deliver meals to the schools without collecting the tax.

Data source: Vermont Department of Education

4.004 Hospitals, convalescent and nursing homes

Statute: 32 V.S.A. § 9202(10)(D)(ii)(IV)  
Enacted: 1959  
Estimate: \$910,000

Statutory Purpose: 32 V.S.A. § 9201(d)

The statutory purpose of the exemption for meals provided at hospitals and convalescent and nursing homes in subdivision 9202(10)(D)(ii)(IV) of this title is to reduce the overall costs of health care and senior care in Vermont.

Meals provided at locations that have a primary purpose for delivering health care or hospice are not subject to the meals tax.

Data source: Vermont Inpatient Hospital Utilization Report

4.005 Summer camp for children

Statute: 32 V.S.A. § 9202(10)(D)(ii)(VI)  
Enacted: 1959  
Estimate: Less than \$100,000

Statutory Purpose: 32 V.S.A. § 9201(e)

The statutory purpose of the exemption for summer camps for children in subdivision 9202(10)(D)(ii)(VI) of this title is to reduce the cost of summer education and outdoor activities for youth.

Meals provided at camps serving children are not subject to the meals tax.

Data source: [www.vermontcamps.org](http://www.vermontcamps.org)

4.006 Nonprofits at fairs, bazaars, picnics, and similar events, but limited to 4 days

Statute: 32 V.S.A. § 9202(10)(D)(ii)(VII)  
Enacted: 1964  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9201(f)

The statutory purpose of the exemption for nonprofits at fairs, bazaars, picnics, and similar events in subdivision 9202(10)(D)(ii)(VII) of this title is to allow more of the revenues generated by certain activities to be dedicated to furthering the public-service missions of the organizations.

Nonprofit organizations may provide meals at public events without collecting the meals tax, but only for four calendar days during any given year.

4.007 Furnished to an employee of a hotel or restaurant operator as remuneration for his or her employment

Statute: 32 V.S.A. § 9202(10)(D)(ii)(VIII)  
Enacted: 1963  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9201(g)

The statutory purpose of the exemption for meals furnished to an employee of a hotel or restaurant operator as remuneration for his or her employment in subdivision 9202(10)(D)(ii)(VIII) of this title is to avoid the taxation of in-kind benefits.

Meals provided to employees as a part of their compensation are not subject to the meals tax.

4.008 Served on the premises of a continuing care retirement community

Statute: 32 V.S.A. § 9202(10)(D)(ii)(XI)  
Enacted: 1988  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9201(h)

The statutory purpose of the exemption for meals served on the premises of a continuing care retirement community in subdivision 9202(10)(D)(ii)(XI) is to exclude meals prepared in a person's home from taxation.

Meals provided at continuing care retirement communities are not subject to the meals tax.



## **4.100 Rooms Tax**

### 4.101 Student housing

Statute: 32 V.S.A. § 9202(8)  
Enacted: 1964  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9201(i)

The statutory purpose of the exemption for student housing in subdivision 9202(8) of this title is to reduce the overall costs of education in Vermont.

The rental charges to students attending a school are not subject to the rooms tax.

### 4.102 Furnished to an employee of a hotel or restaurant operator as remuneration for his or her employment

Statute: 32 V.S.A. § 9202(6)  
Enacted: 1959  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9201(j)

The statutory purpose of the exemption for rooms furnished to an employee of a hotel or restaurant operator as remuneration for his or her employment in subdivision 9202(6) of this title is to exclude the taxation of in-kind benefits.

Workers residing in a hotel are not subject to the rooms tax when the accommodation is provided as compensation for employment.

### 4.103 Summer camp for children

Statute: 32 V.S.A. § 9202(6)  
Enacted: 1959  
Estimate: Under \$100,000

Statutory Purpose: 32 V.S.A. § 9201(k)

The statutory purpose of the exemption for summer camps for children in subdivision 9202(6) of this title is to reduce the cost of summer education and outdoor activities for youth.

Overnight accommodations at camps serving children are not subject to the rooms tax.

Data source: [www.vermontcamps.org](http://www.vermontcamps.org)

4.104 Rooms on the premises of a nonprofit

Statute: 32 V.S.A. § 9202(3)(C)  
Enacted: 1959  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9201(l)

The statutory purpose of the exemption for rooms on the premises of a nonprofit in subdivision 9202(3)(C) of this title is to allow more of the revenues generated by certain activities to be dedicated to furthering the public-service missions of the organizations.

Nonprofits operating hotels to further their exempt purpose are exempt from collecting the rooms tax.

4.105 Rooms on the premises of a continuing care retirement community

Statute: 32 V.S.A. § 9202(3)(D)  
Enacted: 1988  
Estimate: Data unavailable

Statutory Purpose: 32 V.S.A. § 9201(m)

The statutory purpose of the exemption for rooms on the premises of a continuing care retirement community in subdivision 9202(3)(D) of this title is to exclude from taxation rooms that are a person's residence.

A continuing care community is exempt from collecting the rooms tax on the rent of its accommodations.

4.106 Hospital, sanatorium, convalescent home, nursing home, or home for the aged

Statute: 32 V.S.A. § 9202(3)(A)  
Enacted: 1959  
Estimate: Data unavailable

The room charges to occupy a hospital or other institution providing health care are not subject to the rooms tax.

### Meals and Rooms Tax Expenditure Summary

Item Number	Meals & Alcoholic Beverages Tax	FY 2018 estimated	FY 2019 estimated	FY 2022 projected
4.001	Grocery-type items furnished for take-out	6,400,000	6,500,000	6,800,000
4.002	Served on the premises of a non-profit	Not estimated	Not estimated	Not estimated
4.003	Served on the premises of a school	1,800,000	1,800,000	1,800,000
4.004	Served in hospitals, convalescent and nursing homes	910,000	910,000	910,000
4.005	Summer camp for children	Under 100,000	Under 100,000	Under 100,000
4.006	Sold by nonprofits at fairs etc but limited to 4 days	Not estimated	Not estimated	Not estimated
4.007	Furnished to an employee of a hotel or restaurant	Not estimated	Not estimated	Not estimated
4.008	Served at a continuing care retirement facility	Not estimated	Not estimated	Not estimated
	<b>Total</b>	<b>9,110,000</b>	<b>9,210,000</b>	<b>9,510,000</b>

Item Number	Rooms Tax	FY 2018 estimated	FY 2019 estimated	FY 2022 projected
4.101	Student housing	Not estimated	Not estimated	Not estimated
4.102	Hotel or restaurant employee	Not estimated	Not estimated	Not estimated
4.103	Summer camps	Under 100,000	Under 100,000	Under 100,000
4.104	Nonprofit establishments	Not estimated	Not estimated	Not estimated
4.105	Rooms at a continuing care retirement facility	Not estimated	Not estimated	Not estimated
4.106	Hospital, convalescent and nursing home	Not estimated	Not estimated	Not estimated
	<b>Total</b>	<b>Under 100,000</b>	<b>Under 100,000</b>	<b>Under 100,000</b>

# PROPERTY TAX EXPENDITURES

## LIST OF FISCAL YEAR 2019 PROPERTY TAX EXPENDITURES

### 5.000 Property Tax Exemptions

#### 5.001 Nonprofit Medical and Hospital Service Corporations

Statute: 8 V.S.A. § 4518 and § 4590  
Enacted: 1939  
Estimate: \$154,000  
# of parcels: 1

Statutory Purpose: 32 V.S.A. § 9247

The statutory purpose of the remaining exemptions in 8 V.S.A. § 4518 and § 4590 is to lower the cost of health services to Vermonters.

#### 5.002 Local Development Corporations

Statute: 10 V.S.A. § 236  
Enacted: 1973  
Estimate: \$117,000  
# of parcels: 24

Statutory Purpose: 10 V.S.A. § 210

The statutory purpose of the exemption for local development corporations in section 236 of this title is to promote economic development.

Unoccupied portions of buildings and industrial parks owned by local development authorities are exempt.

#### 5.003 Vermont Housing Finance Agency

Statute: 10 V.S.A. § 641 (a)  
Enacted: 1973  
Estimate: \$56,000  
# of parcels: 4

Statutory Purpose: 10 V.S.A. § 602

The statutory purpose of the exemption for the Vermont Housing Finance Agency in subsection 641(a) of this title is to provide and promote affordable housing.

All property of the agency is public property and exempt from all taxes.

5.004 Vermont State Colleges

Statute: 16 V.S.A. § 2178  
Enacted: 1961; amended 2005.  
Estimate: \$6,503,000  
# of parcels: 44

Statutory Purpose: 16 V.S.A. § 2170

The statutory purpose of the exemption for the Vermont State Colleges in section 2178 of this title is to allow institutions providing higher education to deploy more of their financial resources to their educational missions.

Property used for educational and not commercial purposes is exempt.

5.005 Vermont Student Assistance Corporation (VSAC)

Statute: 16 V.S.A. § 2825  
Enacted: 1965  
Estimate: \$39,000  
# of parcels: 1

Statutory Purpose: 16 V.S.A. § 2826(b)

The statutory purpose of the exemption for Vermont Student Assistance Corporation property tax in section 2825 of this title is to allow State instrumentalities that provide financial and information resources for postsecondary education and training to use all of their resources for those purposes.

All real and personal property of VSAC is exempt from taxation.

5.006 University of Vermont

Statute: 16 App. V.S.A. § 1-15  
Enacted: 1802  
Estimate: \$13,197,000  
# of parcels: 145

Statutory Purpose: 16 App. V.S.A. § 1-15a

The statutory purpose of the exemption for the University of Vermont in section 1-15 of this chapter is to allow institutions providing higher education to deploy more of their financial resources to their educational missions.

Property used for educational purposes is exempt.

5.007 Cemeteries

Statute: 18 V.S.A. § 5317, § 5376; 32 V.S.A. § 3802(7);  
Enacted: some version of this exemption existed when Vermont became a  
State in 1791

Estimate: \$668,000

# of parcels: 489

Statutory Purpose: 18 V.S.A. § 5300 and 32 V.S.A. § 3800(e)

The statutory purpose of the exemption for cemeteries in sections 18 V.S.A. § 5317, § 5376 and 32 V.S.A. § 3802(7) is to lower the cost of establishing and maintaining cemeteries.

5.008 Libraries

Statute: 22 V.S.A. § 109

Enacted: prior to 1947

Estimate: \$899,000

# of parcels: 80

Statutory Purpose: 22 V.S.A. § 68

The statutory purpose of the exemption for libraries in section 109 of this title is to aid libraries in offering free and public access to information and research resources to the public.

If the institution is a free and public library, the library and other property is forever exempt.

5.009 Housing Authorities

Statute: 24 V.S.A. § 4020

Enacted: 1961

Estimate: \$1,902,000

# of parcels: 62

Statutory Purpose: 24 V.S.A. § 4000

The statutory purpose of the exemption for housing authorities in section 4020 of this title is to promote, provide, and preserve affordable housing.

The property of a housing authority is declared public property and is exempt.

5.010 Congressionally Chartered Organizations

Statute: 32 V.S.A. § 3802(2)  
Enacted: 1957  
Estimate: \$860,000  
# of parcels: 110

Statutory Purpose: 32 V.S.A. § 3800(a)

The statutory purpose of the exemption for congressionally chartered organizations in subdivision 3802(2) of this title is to support certain organizations with a patriotic, charitable, historical, or educational purpose.

Congress issued federal charters from 1791 until 1992 and over 100 organizations have this status. Congress does not oversee or supervise organizations with the charter, and the designation was largely honorific. Congress suspended federal charters because of the unmerited public assumption that the charter signifies federal approval of the organization's activities. (CRS Report, April 8, 2004) There are two main groups of congressionally chartered organizations, including veterans, fraternal or patriotic groups such as the American Red Cross, National Academy of Sciences, or Girl and Boy Scouts, and corporate entities such as the Federal Reserve Bank, Fannie Mae, Freddie Mac, and the Tennessee Valley Authority.

5.011 Public, pious, and charitable property

Statute: 32 V.S.A. § § 3802(4) 3832, 3840, 5404(a)  
Enacted: Some version of § 3802(4) existed when Vermont became a State in 1791; a version of § 3832 was enacted in 1880  
Estimate: \$60,133,000  
# of parcels: 2,167

Subdivided estimates:	Charitable:	\$6,693,000;	525 parcels
	College:	\$18,611,000;	131 parcels
	Pious:	\$13,176,000;	1,172 parcels
	Schools:	\$6,701,000;	202 parcels
	Hospitals	\$14,952,000;	137 parcels

Statutory Purpose: 32 V.S.A. § 3800(b)

The statutory purpose of the exemption for public, pious, and charitable property in sections 3832 and 3840 and subdivision 3802(4) of this title is to allow these organizations to dedicate more of their financial resources to furthering their public-service missions.

Subdivision 3802(4) exemptions are grouped together because municipalities are only required to report the statutory reference and not differentiate between the various exemption types.



5.012 College fraternities and societies

Statute: 32 V.S.A. § 3802(5)  
Note: this exemption is limited by 32 V.S.A. § 3831  
This was repealed on January 1, 2017 (Act No.200 Sec 22(4))  
Enacted: 1906  
Estimate: Repealed  
# of parcels: Repealed

Statutory Purpose: 32 V.S.A. § 3800(c)  
The statutory purpose of the exemption for college fraternities and societies in subdivision 3802(5) of this title is to provide a tax benefit to college fraternities and societies.

Property held for the benefit of college fraternities and societies and corporations owning such property are exempt. The exemption shall not apply to property held for investment purposes.

5.013 Young Men's and Women's Christian Associations

Statute: 32 V.S.A. § 3802(6)  
Enacted: 1906 (YMCA) and 1963 (YWCA)  
Estimate: \$220,000  
# of parcels: 8

Statutory Purpose: 32 V.S.A. § 3800(d)  
The statutory purpose of the exemption for Young Men's and Women's Christian Associations in subdivision 3802(6) of this title is to allow these organizations to dedicate more of their financial resources to furthering their public-service missions.

YMCA and YWCA property is exempt if it is used for the purposes of the organization and the income is used entirely for such purposes.

5.014 Owned by agricultural societies

Statute: 32 V.S.A. § 3802(9)  
Enacted: 1902  
Estimate: \$527,000  
# of parcels: 15

Statutory Purpose: 32 V.S.A. § 3800(f)  
The statutory purpose of the exemption for property owned by agricultural societies in subdivision 3802(9) of this title is to lower the cost of public access to agricultural events.

The property is exempt if it is used annually for agricultural fairs.

5.015 Property exclusively installed and operated for the abatement of water pollution

Statute: 32 V.S.A. § 3802(12)  
Enacted: 1961  
Estimate: \$0  
# of parcels: 0

Statutory Purpose: 32 V.S.A. § 3800(h)

The statutory purpose of the exemption for property exclusively installed and operated for the abatement of water pollution in subdivision 3802(12) of this title is to encourage real property improvements that abate water pollution by nonpublic entities that would not qualify for an exemption as a government entity.

This property is exempt as long as it meets with the approval of the Secretary of the Agency of Natural Resources.

5.016 Humane societies

Statute: 32 V.S.A. § 3802(15)  
Enacted: 1976  
Estimate: \$129,000  
# of parcels: 13

Statutory Purpose: 32 V.S.A. § 3800(i)

The statutory purpose of the exemption for humane societies in subdivision 3802(15) of this title is to lower operating costs for organizations that protect animals to allow them to dedicate more of their financial resources to furthering their public-service missions.

Property owned by a charitable, nonprofit organization devoted to the welfare, protection, and humane treatment of animals is exempt.

5.017 FQHC and RHCs

Statute: 32 V.S.A. § 3802(16)  
Enacted: 1999  
Estimate: \$496,000  
# of parcels: 30

Statutory Purpose: 32 V.S.A. § 3800(j)

The statutory purpose of the exemption for federally qualified health centers or rural health clinics in subdivision 3802(16) of this title is to support health centers that serve an underserved area or population, offer a sliding fee scale, provide comprehensive services, and have an ongoing quality assurance program.

Property owned by a federally qualified health center or a free-standing, federally designated rural health clinic is exempt.

5.018 Ski Lifts and Snowmaking Equipment

Statute: 32 V.S.A. § 5401(10)(D)  
Enacted: 2002 (effective for 2004 and thereafter)  
Estimate: \$1,679,000  
# of parcels: 41

Statutory Purpose: None

Fixed equipment, including ski lifts and snowmaking equipment is exempt. This estimate does not include \$550,000 in foregone revenues (or PILOT payments made to towns) for ski lifts and snowmaking equipment at two resorts. That is because leases with the State of Vermont put title to that property in the State's name, which would mean that if this exemption were removed that equipment would still not be taxable by the State. This situation is described in the 2015 report by the Vermont State Auditor's Office, *State Land Leases Boost Ski Industry, but Are Dated and Inconsistent*.

5.019 Whey Processing Fixtures

Statute: 32 V.S.A. § 5401(10)(G)  
Enacted: 2001  
Estimate: \$0  
# of parcels: None

Statutory Purpose: 32 V.S.A. § 5400 (a)

The statutory purpose of the exemption for whey processing fixtures in subdivision 5401(10)(G) of this title is to support industries using whey processing facilities to convert waste into value-added products.

Nonresidential property does not include machinery and equipment used directly in the processing of whey.

5.020 Municipalities Hosting Large Power Plants

Statute: 32 V.S.A. § 5402(d); Amended 20014 Act No. 174 Sec. 62  
Enacted: § 4502(d) – 2004; § 5402a – 1999 (but special taxing provisions have applied since 1998)  
Estimate: \$0

Statutory Purpose: 32 V.S.A. § 5400 (b)

The statutory purpose of the exemption for municipalities hosting large power plants in subsection 5402(d) of this title is to compensate businesses and residents of the community hosting a nuclear power facility.

The residential and nonresidential education property tax rates (adjusted appropriately for the CLA and district spending) are applied at a percentage of the base amount in the Town of Vernon. This preferential rate is scheduled to phase up as follows; 75% in 2015 and 2016; 83% in 2017; and 91% in 2018.

## 5.100 Adjustments to Property Values

### 5.101 \$10,000 exemption of appraised value of a residence for a veteran

Statute: 32 V.S.A. § 3802(11) and 32 V.S.A. § 6066(i)  
Enacted: prior to 1910; amended 2011  
Estimate: \$440,000  
# of parcels: 2,953

Statutory Purpose: 32 V.S.A. § 3800(g)

The statutory purpose of the exemption for \$10,000.00 of appraised value of a residence for a veteran in subdivision 3802(11) of this title is to recognize disabled veterans' service to Vermont and to the country.

The exemption is for a veteran of any war or who has received an American Expeditionary Medal. The exemption also applies to the veteran's spouse, widow, widower, or child, if one or more of them are receiving disability compensation for at least 50 percent disability, death compensation, dependence and indemnity compensation, or pension for disability paid through any military department or the Veteran's Administration.

### 5.102 Qualified Housing

Statute: 32 V.S.A. § 5404a(a)(6)  
Enacted: 2004  
Estimate: \$793,000  
# of parcels: 658

Statutory Purpose: 32 V.S.A. § 5400 (c)

The statutory purpose of the exemption for qualified housing in subdivision 5404a(a)(6) of this title is to ensure that taxes on this rent restricted housing provided to low- and moderate-income Vermonters are more equivalent to property taxed using the State homestead rate and to adjust the costs of investment in rent restricted housing to reflect more accurately the revenue potential of such property.

Residential rental units that are subject to specific rent restrictions may qualify for an exemption of 10% of the value of the parcel.

### 5.103 Tax Increment Financing Districts

Statute: 32 V.S.A. § 5404a(f)  
Enacted: 1997, amended multiple times (1998 Act No. 71; 2000 Act No. 159;  
2006 Act No. 184; 2008 Act No. 190; 2009 Act No. 54)  
Estimate: \$5,694,676  
# of Districts: 11

Statutory Purpose: 32 V.S.A. § 5400 (d)  
The statutory purpose of the tax increment financing districts in subsection 5404a(f) of this title is to allow communities to encourage investment and improvements that would not otherwise occur and to use locally the additional property tax revenue attributable to those investments to pay off the debt incurred to construct the improvements.

TIF allows a municipality to retain and utilize a portion of the education property tax revenue from an approved district for improvements related to the district. The tax expenditure estimate here represents the portion municipalities keep to fund improvements in the TIF district. The percentage varies by district but is usually between 70% and 100% of new property tax increment. The remaining portion is required by law to be remitted to the Education Fund.

### 5.104 VEPC Approved Stabilization Agreements

Statute: 32 V.S.A. § 5404a  
Enacted: 1997; Repealed effective January 1, 2017 (2016 Act. No 157 Sec. H.6.)  
Estimate: \$37,000  
# of parcels: 1

Statutory Purpose: 32 V.S.A. § 5400 (e)  
The statutory purpose of the Vermont Economic Progress Council approved stabilization agreements in section 5404a of this title is to provide exemptions on a case-by-case basis in conjunction with other economic development efforts in order to facilitate economic development that would not otherwise occur.

Municipalities that entered into property tax stabilization agreements for improvements to commercial or industrial property were allowed to apply to VEPC for additional state education property tax stabilizations for up to 10 years.

## **5.200 Session Law Exemptions**

### **5.201 Permanent Session Law Exemptions (never codified)**

Statute: Various  
Enacted: Multiple dates  
Estimate: \$171,000  
# of parcels: 20 identified

Statutory Purpose: 32 V.S.A. § 3800(m)

The statutory purpose of the exemptions in Vermont permanent session law in 2008 Acts and Resolves No. 190, 1892 Acts and Resolves No. 213 (*Holton Home, Brattleboro*), 1945 Acts and Resolves No. 204 (*Moose Lodge, Rutland City*), 1939 Acts and Resolves No. 250 (*Italian American Club, Rutland City*), 1921 Acts and Resolves No. 31 (*American Legion, Rutland City*), 1921 Acts and Resolves No. 262 (*Knights of Columbus, Rutland City*), 1910 Acts and Resolves No. 370 (*Masonic Building Association, Brattleboro*), and 1900 Acts and Resolves No. 244 (*Masonic Temple, Rutland City*), is to provide relief to specific properties that have demonstrated an individual purpose to the General Assembly.

The Legislature has enacted a number of property-specific permanent exemptions from education property tax. The ones that can be identified have been grouped together.

## **5.300 Property Taxed Under Alternate Scheme**

### **5.301 Railroad Property**

Statute: 32 V.S.A. § 3803(1)  
Enacted: 1882  
Alternative Tax: 32 V.S.A. § 8211

Statutory Purpose: 32 V.S.A. § 3800(k)

The statutory purpose of the railroad property alternative tax method in subdivision 3803(1) of this title is to provide an alternative to the traditional valuation method in order to achieve consistency across municipalities.

An alternative tax is assessed on the appraised value of property and corporate franchise of each railroad company. The revenue is split between the state's general fund and the town where the railroad property is located.

### 5.302 Telephone Property

Statute: 32 V.S.A. § 3803(2)  
Enacted: 1882  
Alternative Tax: 32 V.S.A. § § 8521 and 8522

Statutory Purpose: 32 V.S.A. § 3800(l)

The statutory purpose of the telephone property alternative tax method referenced in subdivision 3803(2) of this title is to provide an alternative to the traditional valuation method in order to achieve consistency across municipalities.

A company may elect either a telephone property tax of 2.37% of net book value or an alternative tax based on gross operating revenue. This is a General Fund tax source, rather than the Education Fund where property taxes and their alternatives are typically deposited.

### 5.303 Large Power Plants

Statute: 32 V.S.A. § 5401(10)(B)  
Enacted: 1997; amended 2003 and 2012  
Alternative Tax: 32 V.S.A. § 5402a (repealed effective 7/1/12)

Statutory Purpose: 32 V.S.A. § 5400 (f)

The statutory purpose of the large power plants alternative tax method in subdivision 5401(10)(B) of this title is to provide an alternative to the traditional valuation method for a unique property.

The Vermont Yankee Nuclear power facility is exempt from the education property tax **if it is operating**. The electrical energy generating tax in the amount of \$0.0025 per kWh of electrical energy produced is applied instead.

### 5.304 Wind-Powered Electric Generating Facilities

Statute: 32 V.S.A. § 5401(10)(J)(i)  
Enacted: 2008; amended 2012  
Alternative Tax: 32 V.S.A. § 5402c(a)

Statutory Purpose: 32 V.S.A. § 5400 (g)

The statutory purpose of the wind-powered electric generating facilities alternative tax scheme in subdivision 5401(10)(J)(i) of this title is to provide an alternative to the traditional valuation method in order to achieve consistent valuation across municipalities.

The buildings and fixtures (not the land) of wind-powered electric generating facilities that are one megawatt and over are exempt from education property tax. The alternate tax is \$0.003 per kWh of electrical energy produced. The alternative tax was amended (2012 Act No. 127 Sec. 5) to apply to facilities that generate at least one megawatt instead of the original five megawatts. Smaller facilities are exempt.

5.305 Renewable Energy Plant Generating Electricity from Solar Power

Statute: 32 V.S.A. § 5401(10)(J)(ii)  
Enacted: 2012  
Alternative Tax: 32 V.S.A. § 8701

Statutory Purpose: 32 V.S.A. § 5400 (h)

The statutory purpose of the renewable energy plant generating electricity from solar power alternative tax structure in subdivision 5401(10)(J)(ii) is to provide an alternative to the traditional valuation method in order to achieve consistent valuation across municipalities.

The fixtures and personal property (not land) of a solar electric renewable energy plant are exempt from the education property tax. Plants larger than 10 kWh are subject to a uniform capacity tax of \$4.00 per kWh of plant capacity. Smaller facilities are exempt from both the property tax and the generation tax. The exemption for small facilities is repealed in 10 years on January 1, 2023.



### Property Tax Expenditure Summary

Item Number	Property Tax Expenditure	FY 2018 actual	FY 2019 actual	FY 2022 projected
5.001	Nonprofit Medical Service Corporations	145,000	154,000	160,000
5.002	Local Development Corporations	72,000	68,000	215,000
5.003	Vermont Housing Finance Agency (VHFA)	57,000	56,000	32,000
5.004	Vermont State Colleges	6,220,000	6,503,000	6,818,000
5.005	VSAC	37,000	39,000	42,000
5.006	University of Vermont	12,446,000	13,197,000	14,703,000
5.007	Cemeteries	642,000	668,000	719,000
5.008	Libraries	858,000	899,000	968,000
5.009	Housing Authorities	1,810,000	1,902,000	2,088,000
5.010	Congressionally Chartered Organizations	830,000	860,000	860,000
5.011	Public, pious and charitable property			0
5.011	PPC - Charitable	6,444,000	6,693,000	6,435,000
5.011	PPC - College	17,296,000	18,611,000	9,629,000
5.011	PPC - Pious	12,762,000	13,176,000	14,877,000
5.011	PPC - School	5,550,000	6,701,000	10,874,000
5.011	PPC - Hospital	14,075,000	14,952,000	21,735,000
5.012	College fraternities and societies	Repealed	Repealed	Repealed
5.013	YMCA and YWCAs	220,000	220,000	169,000
5.014	Owned by agricultural societies	503,000	527,000	1,283,000
5.015	Water pollution abatement property	1,000	0	-
5.016	Humane societies	122,000	129,000	279,000
5.017	FQHC and RHCs	446,000	496,000	598,000
5.018	Ski lifts and snowmaking equipment	1,738,000	1,679,000	1,814,000
5.019	Whey processing fixtures	0	0	-
5.020	Municipalities hosting large power plants	487,000	0	-
5.101	\$10,000 for veterans	417,000	440,000	518,000
5.102	Qualified Housing	717,000	793,000	1,042,000
5.103	Tax Increment Financing Districts	5,092,000	5,695,000	6,651,000
5.104	VEPC Approved Stabilization Agreements	36,000	37,000	20,000
5.201	Permanent Session Law Exemptions	106,000	171,000	300,000
	<b>Total</b>	<b>89,129,000</b>	<b>94,666,000</b>	<b>102,829,000</b>

# BANK FRANCHISE AND INSURANCE PREMIUMS TAX EXPENDITURES

## LIST OF FISCAL YEAR 2019 BANK FRANCHISE TAX EXPENDITURES

### **6.000 Exemptions from Tax on Deposits**

#### 6.001 Credit Unions

Statute: 8 V.S.A. § 2085  
Enacted: 1967  
Estimate: \$1,410,000

Statutory Purpose: 32 V.S.A. § 9247  
The statutory purpose of the remaining exemptions in 8 V.S.A. § 30901 is to affirm the nonprofit, cooperative structure of credit unions.

Deposits and shares in Vermont state-chartered credit unions are not subject to taxation.

### **6.100 Bank Franchise Tax Credits**

#### 6.101 Affordable Housing Credit

Statute: 32 V.S.A. § 5930u  
Enacted: 2000  
Estimate: \$2,190,000

Statutory Purpose: 32 V.S.A. § 5813(i)  
The statutory purpose of the Vermont affordable housing credit in section 5930u of this title is to increase the capital available to certain affordable housing projects for construction or rehabilitation by attracting up-front private investment.

A credit is available for affordable rental housing projects or owner-occupied affordable housing units, provided the project has been authorized by the Vermont Housing Finance Agency. The amount of the credit is based on a taxpayer's eligible cash contribution and the agency's allocation plan. Total tax credits available to the taxpayer are the amount of the first-year allocation plus the succeeding four years' deemed allocation.

6.102 Downtown and Village Center Program Tax Credits  
Historic Rehabilitation, Façade Improvement, and Code Improvement Credit

Statute: 32 V.S.A. § 5930cc  
Enacted: 2006 (replacing similar credits from 1997)  
Estimate: \$450,000

Statutory Purpose: 32 V.S.A. § 5813(m)  
The statutory purpose of the Vermont historical rehabilitation tax credit in subsection 5930cc(a) of this title is to provide incentives to improve and rehabilitate historic properties in designated downtowns and village centers.

Statutory Purpose: 32 V.S.A. § 5813(n)  
The statutory purpose of the Vermont facade improvement tax credit in subsection 5930cc(b) and sections 5930aa–5930ff of this title is to provide incentives to improve facades and rehabilitate historic properties in designated downtowns and village centers.

Statutory Purpose: 32 V.S.A. § 5813(o)  
The statutory purpose of the Vermont code improvement tax credit in subsection 5930cc(c) and sections 5930aa–5930ff of this title is to provide incentives to improve and rehabilitate historic properties in designated downtowns and village centers.

There are three available credits for improvements in a designated downtown or village center:

Historic rehabilitation – 10% of qualified rehabilitation expenditures  
Façade improvement – 25% of qualified expenditures (maximum = \$25,000)  
Code improvement – 50% of qualified expenditures.

6.103 Entrepreneurs' Seed Capital Fund Credit

Statute: 32 V.S.A. § 5830b  
Enacted: 1986; amended 2006  
Estimate: \$0

Statutory Purpose: 32 V.S.A. § 5813(l)  
The statutory purpose of the Vermont entrepreneurs' seed capital fund credit in section 5830b of this title is to provide incentives for investment in the Seed Capital Fund, ensuring it has sufficient capital to make equity investments in Vermont businesses.

A credit is available for a taxpayer who contributes to the fund in an amount equal to the lesser of either 4% of the taxpayer's contribution or 50% of the taxpayer's tax liability for the year prior to claiming the credit, provided that the aggregate credit allowable for all taxable years not exceed 20% of the taxpayer's contribution to the initial capitalization of the fund.

6.104 Charitable Housing Credit

Statute: 32 V.S.A. § 5830c  
Enacted: 1990  
Estimate: \$0

Statutory Purpose: 32 V.S.A. § 5813(h)

The statutory purpose of the Vermont charitable housing credit in section 5830c of this title is to enable lower capital cost to certain affordable housing charities by restoring some of the forgone investment income through a tax credit to the investor.

Credit for the difference between interest income that would have been received at the charitable threshold rate and actual interest income received. The rate effective each July 1 is 2% below Bank Prime Loan Rate for March.

## LIST OF FISCAL YEAR 2019 INSURANCE PREMIUMS TAX EXPENDITURES

### 7.000 Insurance Premiums Tax Credits

#### 7.001 Affordable Housing Credit

Statute: 32 V.S.A. § 5930u  
Enacted: 2000  
Estimate: Suppressed – fewer than 10 claimants

Statutory Purpose: 32 V.S.A. § 5813(i)

The statutory purpose of the Vermont affordable housing credit in section 5930u of this title is to increase the capital available to certain affordable housing projects for construction or rehabilitation by attracting up-front private investment.

A credit is available for affordable rental housing projects or owner-occupied affordable housing units, provided the project has been authorized by the Vermont Housing Finance Agency. The amount of the credit is based on a taxpayer's eligible cash contribution and the agency's allocation plan. Total tax credits available to the taxpayer are the amount of the first-year allocation plus the succeeding four years' deemed allocation.

#### 7.002 Downtown and Village Center Program Tax Credits

Statute: 32 V.S.A. § 5930cc  
Enacted: 2006 (replacing similar credits from 1997)  
Estimate: Suppressed – fewer than 10 claimants

Statutory Purpose: 32 V.S.A. § 5813(m)

The statutory purpose of the Vermont historical rehabilitation tax credit in subsection 5930cc(a) of this title is to provide incentives to improve and rehabilitate historic properties in designated downtowns and village centers.

Statutory Purpose: 32 V.S.A. § 5813(n)

The statutory purpose of the Vermont facade improvement tax credit in subsection 5930cc(b) and sections 5930aa–5930ff of this title is to provide incentives to improve facades and rehabilitate historic properties in designated downtowns and village centers.

Statutory Purpose: 32 V.S.A. § 5813(o)

The statutory purpose of the Vermont code improvement tax credit in subsection 5930cc(c) and sections 5930aa–5930ff of this title is to provide incentives to improve and rehabilitate historic properties in designated downtowns and village centers.

There are three available credits for improvements in a designated downtown or village center.

7.003      **Entrepreneurs' Seed Capital Fund Credit**

Statute:        32 V.S.A. § 5830b  
Enacted:       2004, amended 2006  
Estimate:       \$0

Statutory Purpose: 32 V.S.A. § 5813(l)

The statutory purpose of the Vermont Entrepreneurs' Seed Capital Fund Credit in section 5830b of this title is to provide incentives for investment in the Seed Capital Fund, ensuring it has sufficient capital to make equity investments in Vermont businesses.

A credit is available for a taxpayer who contributes to the Fund in an amount equal to the lesser of either 4% of the taxpayer's contribution or 50% of the taxpayer's tax liability for the year prior to claiming the credit, provided that the aggregate credit allowable for all taxable years not exceed 20% of the taxpayer's contribution to the initial capitalization of the Fund.

**7.100      Exemptions from the Premiums Tax**

7.101      **Annuity Considerations**

Statute:        8 V.S.A. § 3718  
Enacted:       1967  
Estimate:       \$11,550,000

Statutory Purpose: 8 V.S.A. § 3700

The statutory purpose of the exemption for annuity considerations in section 3718 of this title is to avoid reciprocity from other states.

7.102 Fraternal Societies

Statute: 8 V.S.A. § 4501  
 Enacted: 1959  
 Estimate: \$100,000

Statutory Purpose: 8 V.S.A. § 4460  
 The statutory purpose of the exemption for fraternal societies in section 4500 of this title is to support benevolent societies that provide benefits to members and to the community.

7.103 Hospital and Medical Service Organizations

Statute: 8 V.S.A. §§ 4518, 4590  
 Enacted: 1939  
 Estimate: \$12,650,000

Statutory Purpose: 32 V.S.A. § 9247  
 The statutory purpose of the remaining exemptions in 8 V.S.A. § 4518 and § 4590 is to lower the cost of health services to Vermonters.

**Bank Franchise and Insurance Premiums Tax Expenditure Summary**

Item Number	Bank Franchise Tax	FY 2018 Actual	FY 2019 Actual	FY 2022 projected
6.001	Credit Unions	1,350,000	1,410,000	1,570,000
6.101	Affordable Housing Tax Credit	2,680,000	2,190,000	3,090,000
6.102	Downtown and Village Center Program Tax Credits	250,000	450,000	730,000
6.103	Entrepreneurs' Seed Capital Fund Credit	0	0	0
6.104	Charitable Housing Credit	0	0	0
	<b>Total</b>	<b>4,280,000</b>	<b>4,490,000</b>	<b>5,860,000</b>

  

Item Number	Insurance Premiums Tax	FY 2018 Actual	FY 2019 Actual	FY 2022 projected
7.001	Affordable Housing Tax Credit	0	0	0
7.002	Downtown and Village Center Program Tax Credits	0	0	0
7.003	Entrepreneurs' Seed Capital Fund Credit	0	0	0
7.101	Annuity Considerations	12,130,000	11,550,000	12,250,000
7.102	Fraternal Societies	90,000	100,000	110,000
7.103	Hospital and Medical Service Organizations	11,800,000	12,650,000	13,710,000
	<b>Total</b>	<b>25,690,000</b>	<b>24,560,000</b>	<b>26,250,000</b>



MOTOR FUEL AND PURCHASE AND USE  
TAX EXPENDITURES

## **DESCRIPTION OF GASOLINE AND DIESEL FUEL AND MOTOR VEHICLE PURCHASE AND USE TAX EXPENDITURES**

No. 160 (2010), Sec. 1 amended 32 V.S.A. §312 to add reporting on the gasoline tax, diesel fuel tax and motor vehicle purchase and use tax to the biennial tax expenditure report.

### ***Gasoline Tax***

There are no end user exemptions to the gasoline tax.

### ***Diesel Fuel Tax and Transportation Infrastructure Bond (TIB) Fund Diesel Fuel Assessment***

23 V.S.A. §3003 imposes on the sale of diesel fuel (1) a tax of \$0.28 per gallon, (2) a petroleum distributor license fee of \$0.01 per gallon which is deposited in the petroleum clean up fund and (3) a transportation infrastructure bond (TIB) fund assessment of \$0.03 per gallon. This analysis treats exemptions from the tax, fee and assessment as all being tax expenditures and herein the term “tax” is all inclusive.

As specified in 23 V.S.A. §3003(d)(1), the following uses are exempted from the diesel fuel tax, the license fee and TIB assessment:

- off road uses for agricultural purposes
- use by a vehicle registered as a farm truck
- off road uses by any vehicle
- uses by state or municipal entities (including school districts, fire districts)
- use by a non-profit public transit agency

Diesel fuel purchases by government entities and public transit agencies are excluded from this analysis.

The DMV database is limited to information on the number of taxable and tax exempt gallons sold and does not break down the aggregate numbers by user type. Therefore, this report does not estimate the tax expenditure value of the individual exemptions but instead provides one aggregate estimate for all the exemptions in 23 V.S.A. §3003(d)(1). The tax expenditure estimates are derived by using data from several sources to estimate the quantity of diesel fuel purchases by state and local government entities and public transit agencies, which are not considered to be tax expenditures. These totals were then subtracted from DMV’s gross figure for tax-exempt gallons.

## ***Motor Vehicle Purchase and Use Tax***

### **Motor Vehicle Purchase & Use Tax – Specific Exemptions**

Exemptions from the P&U tax are specified in 32 V.S.A §8911. The exemption for state and local government entities is excluded from the analysis.

The DMV database includes transactions exempted from the P&U tax in 7 categories. Information is available on the vehicle type, make, model and year, but not the sales price. The expenditure estimate is derived by multiplying the number of transactions in each category by the average P&U tax paid per taxable transaction.

### **Motor Vehicle Purchase & Use Tax – Trade-In Value Exemption**

32 V.S.A §8902(4) and (5) define the purchase price subject to the P&U tax as, in general terms, being equal to the gross price paid minus the value of any trade-in involved in the transaction (broadly defined to include separate sales). It has been argued that a trade-in allowance constitutes a tax expenditure. It has also been argued that a trade-in allowance is necessary to avoid double taxation. In 2005, at the request of the House Ways & Means Committee, the Joint Fiscal Office provided revenue estimates for several options involving the elimination of the trade-in allowance, in whole or in part. The figures were an estimate of the additional P&U tax revenue that would have been generated had the trade-in allowance not existed in the fiscal year involved (adjusted for estimated demand effects). The estimate for a zero trade-in allowance was updated and is included in this report. Whether this revenue constitutes a tax expenditure or rather double taxation is a separate question.

## LIST OF FISCAL YEAR 2019 GASOLINE AND DIESEL FUEL TAX EXPENDITURES

### 8.000 Gasoline and Diesel Fuel Tax Expenditures

#### 8.001 Gasoline Tax

There are no end user exemptions from the gasoline tax.

#### 8.002 Diesel Tax

Statute: 23 V.S.A. §3003  
Enacted: 1982  
Estimate: \$131,000

Statutory purpose: 23 V.S.A. §3000

The statutory purpose of the exemption for diesel tax in section 3003 of this title is to relieve off-road uses and farm truck uses from the user fee for the State highway system.

## LIST OF FISCAL YEAR 2019 MOTOR VEHICLE PURCHASE AND USE TAX EXPENDITURES

### 9.000 Motor Vehicle Purchase and Use Tax Expenditures

#### 9.001 Religious or charitable institutions or volunteer fire companies

Statute: 32 V.S.A. §8911 (3)  
Enacted: 1960, amended 1987, 2006  
Estimate: \$99,000

Statutory purpose: 32 V.S.A §8900(a)

The statutory purpose of the exemption for pious or charitable institutions or volunteer fire companies in subdivision 8911(3) of this title is to lower the operating costs of pious and charitable organizations considered exempt under subdivision 3802(4) of this title to allow them to dedicate more of their financial resources to furthering their public-service missions.

#### 9.002 Non-registered vehicles

Statute: 32 V.S.A. §8911 (5)  
Enacted: 1960, amended 1987, 2006  
Estimate: Data unavailable

Statutory purpose: 32 V.S.A §8900(b)

The statutory purpose of the exemption for nonregistered vehicles in subdivision 8911(5) of this title is to exclude from the tax vehicles that are not entitled to use the State highway system.

#### 9.003 Gifts

Statute: 32 V.S.A. §8911 (8)  
Enacted: 1960, amended 1987, 2006  
Estimate: \$2,601,000

Statutory purpose: 32 V.S.A §8900(c)

The statutory purpose of the exemption for gifts in subdivision 8911(8) of this title is to avoid the intrusion of a tax into sharing transactions that are common within families.

#### 9.004 IRC Sec. 351

Statute: 32 V.S.A. §8911 (10)  
Enacted: 1960, amended 1987, 2006  
Estimate: \$16,000

Statutory purpose: None

Note: "IRC Sec. 351" refers to transfers by an owner to a business controlled by the owner pursuant to Internal Revenue Code Sec. 351.

#### 9.005 Handicapped

Statute: 32 V.S.A. §8911 (12)  
Enacted: 1960, amended 1987, 2006  
Estimate: \$30,000

Statutory purpose: 32 V.S.A §8900(d)

The statutory purpose of the exemption for persons with disabilities in subdivision 8911(12) of this title is to lessen the cost of purchasing a vehicle that has been modified to meet the physical needs of a qualifying Vermonter.

#### 9.006 Veterans

Statute: 32 V.S.A. §8911 (14)  
Enacted: 1960, amended 1987, 2006  
Estimate: \$16,000

Statutory purpose: 32 V.S.A §8900(e)

The statutory purpose of the exemption for veterans in subdivision 8911(14) of this title is to remove every cost to a qualifying veteran receiving a vehicle granted by the Veterans' Administration.

#### 9.007 General exemption of trade-in value

Statute: 32 V.S.A. §8902(4) and (5)  
Enacted: 1960, amended 1967  
Estimate: \$34,600,000

Statutory purpose: 32 V.S.A §8900(f)

The statutory purpose of the general exemption of trade-in value in subdivisions 8902(4) and (5) of this title is to ensure the use value of a vehicle is taxed only once.

### Gasoline and Diesel Fuel Tax Expenditure Summary

Item Number	Expenditure	FY 2018	FY 2019	FY 2022 Projected
8.001	Gasoline Tax	\$0	\$0	\$0
8.002	Diesel Fuel	\$164,000	\$131,000	\$143,000
	<b>Totals</b>	<b>\$167,000</b>	<b>\$164,000</b>	<b>\$171,000</b>

### Motor Vehicle Purchase & Use Tax Expenditure Summary

Item Number	Expenditure	FY 2018	FY 2019	FY 2022 Projected
9.001	Religious, charitable	\$133,000	\$99,000	\$146,000
9.002	Non-registered vehicles	No data	No data	No data
9.003	Gifts	\$2,626,000	\$2,601,000	\$2,958,000
9.004	IRC Sec. 351	\$41,000	\$16,000	\$42,000
9.005	Handicap	\$32,000	\$30,000	\$37,000
9.006	Veterans	\$9,000	\$9,000	\$17,000
	<b>Subtotals</b>	<b>\$2,841,000</b>	<b>\$2,762,000</b>	<b>\$3,200,000</b>
9.007	Trade-In Allowance	\$32,700,000	\$34,600,000	\$34,000,000
	<b>Totals</b>	<b>\$35,541,000</b>	<b>\$37,362,000</b>	<b>\$37,200,000</b>

# APPENDICES



**APPENDIX A  
STATUTORY REFERENCE**

**32 V.S.A. § 312. Tax expenditure report**

**§ 312. Tax expenditure report**

(a) As used in this section, "tax expenditure" shall mean the actual or estimated loss in tax revenue resulting from any exemption, exclusion, deduction, credit, preferential rate, or deferral of liability applicable to the tax. Tax expenditures shall not include the following:

- (1) revenue outside the taxing power of the State;
- (2) provisions outside the normal structure of a particular tax;
- (3) revenue forgone as unduly burdensome to administer; and
- (4) for the purpose of avoiding government taxing itself.

(b) Tax expenditure reports. Biennially, as part of the budget process, beginning January 15, 2009, the Department of Taxes and the Joint Fiscal Office shall file with the House Committees on Ways and Means and on Appropriations and the Senate Committees on Finance and on Appropriations a report on tax expenditures in the personal and corporate income taxes, sales and use tax, and meals and rooms tax, insurance premium tax, bank franchise tax, education property tax, diesel fuel tax, gasoline tax, motor vehicle purchase and use tax. The Office of Legislative Council shall also be available to assist with this tax expenditure report. The provisions of 2 V.S.A. § 20(d) (expiration of required reports) shall not apply to the report to be made under this subsection. The report shall include, for each tax expenditure, the following information:

- (1) a description of the tax expenditure;
- (2) the most recent fiscal information available on the direct cost of the tax expenditure in the past two years;
- (3) the date of enactment of the expenditure;
- (4) a description of and estimate of the number of taxpayers directly benefiting from the expenditure provision;
- (5) a description of the statutory purpose explaining the policy goal behind the expenditure as required by subsection (d) of this section and 2013 Acts and Resolves No. 73, Sec. 5; and
- (6) a compilation of the items excluded under subsection (a) of this section.

(c) Repealed.

(d) Every tax expenditure, as defined in subsection (a) of this section, in the tax expenditure report required by this section shall be accompanied in statute by a statutory purpose explaining the policy goal behind the exemption, exclusion, deduction, or credit applicable to the tax. The statutory purpose shall appear as a separate subsection or subdivision in statute and shall bear the title "Statutory Purpose." Notwithstanding any other provision of law, a tax expenditure listed in the tax expenditure report that lacks a statutory purpose in statute shall not be implemented or enforced until a statutory purpose is provided. The Department of Taxes shall notify the General Assembly when it has determined that a tax expenditure listed in the tax expenditure report lacks a statutory purpose, and the Department shall specify a date, no later than one year after its determination, that it will cease implementation or enforcement of the tax expenditure. (Added 2005, No. 75, § 26; amended 2005, No. 207 (Adj. Sess.), § 23, eff. May 31, 2006; 2007, No. 190 (Adj. Sess.), § 24, eff. June 6, 2008; 2009, No. 160 (Adj. Sess.), § 1, eff. June 4, 2010; 2011, No. 45, § 36k, eff. May 24, 2011; 2013, No. 73, § 4, eff. July 1, 2014; 2013, No. 142 (Adj. Sess.), § 59; 2013, No. 200 (Adj. Sess.), § 21.)

**2016 Act. No 134**  
**\*\*\* Evaluation of Tax Expenditures \*\*\***

Sec. 40. EVALUATION OF TAX EXPENDITURES

(a) Definitions. As used in this section:

(1) "Expedited review" means an evaluation of a tax expenditure that analyzes the purpose of the tax expenditure, delineates its cost and benefits, and considers whether it still meets its policy goals. The term "expedited review" shall have the same meaning as that term is used in the report titled "Tax Expenditure Review Report 2016," submitted to the General Assembly on January 15, 2016, as required by 2015 Acts and Resolves No. 33.

(2) "Full evaluation" means a review of a tax expenditure that includes the elements of an expedited review but also includes a quantitative analysis of the economic impact of the tax expenditure, consideration of the direct and indirect economic and social benefits of the tax expenditure, and a comparison of the effectiveness of the tax expenditure with alternate policies.

(b) Expedited review. The Department of Taxes and the Joint Fiscal Office shall conduct an expedited review of certain tax expenditures as outlined in Appendix C of the report required by 2015 Acts and Resolves No. 33. The specific tax expenditures receiving expedited review, and the schedule for conducting that review, shall be as follows:

(1) For the tax expenditure report due in January 2017, the tax expenditures related to encouraging economic growth and investment shall be reviewed.

(2) For the tax expenditure report due in January 2019, the tax expenditures related to incentivizing a specific desirable outcome, including agriculture, and related to excluding charitable and public service organizations from taxation shall be reviewed.

(3) For the tax expenditure report due in January 2021, the tax expenditures related to enhancing community development, including housing and historic revitalization, shall be reviewed.

(4) For the tax expenditure report due in January 2023, the tax expenditures related to promoting income security and encouraging work; exempting the necessities of life, including health care, from taxation; and implementing State tax policy and other priorities shall be reviewed.

(c) Full evaluation. On or before January 15, 2017, the Joint Fiscal Office shall develop recommendations for the standards and processes to conduct a full evaluation of tax expenditures, as outlined in the report required by 2015 Acts and Resolves No. 33. The report shall include recommendations on how to structure and fund a program designed to conduct a full evaluation of tax expenditures. The Joint Fiscal Office shall submit its recommendations and report to the Senate Committees on Finance and on Appropriations and the House Committees on Ways and Means and on Appropriations.

**APPENDIX B  
LIST OF EXCLUDED EXEMPTIONS**

**Individual Income Tax**

Railroad retirement income  
Statute: 32 V.S.A. § 5823(a)(1)  
45 U.S.C. § 231m(a); I.R.C. § 6334.

Provided to the elderly pursuant to the Older Americans Act  
Statute: 32 V.S.A. § 9202(10)(D)(ii)(IX)  
Enacted: 1973

**Sales & Use Tax**

Non-business, casual sales  
Statute: 32 V.S.A. § 9741(4)  
Enacted: 1969

Purchased with Food Stamps  
Statute: 32 V.S.A. § 9202(10)(D)(ii)(X)  
Enacted: 1987

Manufacturers' material and equipment  
Statute: 32 V.S.A. § 9741(14)  
Enacted: 1969 (amended in 2012)

**Meals & Rooms Tax**  
Time share rights  
Statute: 32 V.S.A. § 9202(8)  
Enacted: 1992

Packaging and shipping materials  
Statute: 32 V.S.A. § 9741(16)  
Enacted: 1969

Permanent residents  
Statute: 32 V.S.A. § 9202(6) and (7)  
Enacted: 1959

Rented furniture for residential use  
Statute: 32 V.S.A. § 9741(17)  
Enacted: 1970

State or US-operated establishment  
Statute: 32 V.S.A. § 9202(3)(B)  
Enacted: 1959

Admissions to municipal, state, and federal recreation facilities  
Statute: 32 V.S.A. § 9741(18)  
Enacted: 1970

**Property Tax**  
Federal and State Government Property  
Statute: 32 V.S.A. § 3802(1)  
Enacted: 1791

Energy used in manufacturing tangible personal property for sale  
Statute: 32 V.S.A. § 9741(34)  
Enacted: 1993

Municipally owned  
Statute: 32 V.S.A. § 5401(10)(F);  
Enacted: 1997

Wholesale transactions between telecommunications service providers  
Statute: 32 V.S.A. § 9741(41)  
Enacted: 1997

Use Value Appraisal Program  
Statute: 32 V.S.A. Chapter 124  
Enacted: 1977

**Meals & Rooms Tax**

Premises of Vermont or federal institutions to inmates and employees  
Statute: 32 V.S.A. § 9202(10)(D)(ii)(III)  
Enacted: 1959

Property Tax Adjustments  
Statute: 32 V.S.A. Chapter 154  
Enacted: 1997

Furnished while transporting passengers for hire on train, bus, or airplane (carriers)  
Statute: 32 V.S.A. § 9202(10)(D)(ii)(V);  
Enacted: 1959

**Purchase and Use Tax**  
I.R.C. § 351 transfers by an owner to a business controlled by the owner  
Statute: 32 V.S.A. § 8911 (10);  
Enacted: 1960, amended 1987, 2006

**APPENDIX C – INDIVIDUAL INCOME TAX EXPENDITURE SUMMARY**

**2019 Vermont Individual Income Tax Returns – Three Largest Value Expenditure Details**

AGI Income Class	Capital Gains Exclusion		Earned Income Tax Credit		Charitable Contributions Credit	
Description	# Returns	Total \$	# Returns	Total \$	# Returns	Total \$
Negative	-	-	400	131,890	10	1,450
None/Missing	10	3,460	10	770	-	-
.01 - 4,999	440	7,560	4,390	660,090	20	470
5,000 - 9,999	550	19,140	5,810	2,285,820	230	3,070
10,000 - 14,999	640	24,020	7,130	4,264,650	1,420	33,120
15,000 - 19,999	1,080	45,810	3,730	4,526,410	1,630	58,520
20,000 - 24,999	990	57,710	3,210	4,447,310	1,930	68,260
25,000 - 29,999	1,230	74,660	3,600	4,156,820	2,450	94,470
30,000 - 34,999	1,350	89,190	3,520	2,998,220	2,750	129,950
35,000 - 39,999	1,380	108,950	3,180	1,762,970	2,860	156,120
40,000 - 44,999	1,420	112,980	1,890	864,590	3,000	161,970
45,000 - 49,999	1,360	112,980	1,060	362,650	3,010	178,710
50,000 - 59,999	2,780	342,880	480	101,630	6,080	403,730
60,000 - 74,999	4,040	590,570	30	8,700	8,920	680,630
75,000 - 99,999	6,050	986,850	10	10,930	13,640	1,138,190
100,000 - 124,999	5,060	1,098,610	-	-	11,620	1,107,100
125,000 - 149,999	3,610	924,060	-	-	8,210	876,380
150,000 - 199,999	4,760	1,326,130	-	-	9,690	1,203,330
200,000 - 299,999	4,230	1,778,360	-	-	7,450	1,193,610
300,000 - 499,999	2,590	1,791,500	-	-	4,290	867,270
500,000 - 999,999	1,490	2,128,640	-	-	2,410	563,340
1,000,000 +	860	7,186,200	-	-	1,780	380,350
<b>Grand Total</b>	<b>45,920</b>	<b>18,810,260</b>	<b>38,450</b>	<b>26,583,450</b>	<b>93,400</b>	<b>9,300,040</b>

**2019 Vermont Individual Income Tax Returns – Next Highest Participation Expenditure Details**

AGI Income Class	Child and Dependent Care		VT Higher Education Investment Plan		Medical Expense Deduction	
	# Returns	Total \$	# Returns	Description	# Returns	Total \$
Negative	-	-	-	-	110	135,890
None/Missing	-	-	-	-	10	5,920
.01 - 4,999	-	-	-	-	60	69,260
5,000 - 9,999	-	-	10	390	90	79,670
10,000 - 14,999	-	-	10	630	90	50,070
15,000 - 19,999	70	3,000	20	2,010	90	102,240
20,000 - 24,999	200	16,890	20	3,120	110	83,620
25,000 - 29,999	350	37,580	20	2,920	110	112,930
30,000 - 34,999	490	66,680	40	7,000	100	78,840
35,000 - 39,999	530	67,560	50	8,920	120	124,070
40,000 - 44,999	410	47,080	60	10,410	90	97,210
45,000 - 49,999	420	51,340	60	13,360	120	112,910
50,000 - 59,999	720	85,700	160	41,520	190	381,150
60,000 - 74,999	1,240	150,610	300	82,920	270	416,450
75,000 - 99,999	2,530	337,650	680	225,910	320	524,400
100,000 - 124,999	2,340	305,200	940	379,510	230	411,220
125,000 - 149,999	1,540	196,130	840	385,540	150	356,780
150,000 - 199,999	1,520	180,150	1,250	706,260	180	311,870
200,000 - 299,999	860	91,840	1,050	777,140	130	354,400
300,000 - 499,999	410	39,680	640	611,730	70	222,620
500,000 - 999,999	160	14,610	270	280,450	20	80,350
1,000,000 +	30	2,680	70	82,910	10	173,120
<b>Grand Total</b>	<b>13,820</b>	<b>1,694,380</b>	<b>6,490</b>	<b>3,622,650</b>	<b>2,670</b>	<b>4,284,990</b>

