

**H.436 – Miscellaneous Tax Bill – Side-by-Side Summary**  
 As Passed by House vs. Senate Proposal of Amendment  
 5/18/2021

Sec.	As Passed House	Sec.	Senate Proposal of Amendment
<b>Meals and Rooms Tax</b>			
1	32 V.S.A. § 9202  Application of the meals tax when a meal delivery platform delivers meals to consumers and to any delivery or other facilitator charge. Adds new definition of “taxable meal facilitators,” who will be considered “operators” liable for collection and remittance of meals tax.		
2	32 V.S.A. § 9202  Amends definitions of taxable meal and alcoholic beverages to exempt alcoholic beverages from tax when sold under the same circumstances under which food or beverage is exempt.		
<b>Property Tax Credit Claim Form</b>			
3	32 V.S.A. § 6074  Allow claimants to amend certain fields on their Property Tax Credit claim: housesite value, housesite education tax, housesite municipal tax, ownership percentage. Currently, the only recourse for correcting errors in these fields is to request an extraordinary relief remedy from the Commissioner through the Taxpayer Advocate.		
<b>Administration; payment methods</b>			
4-8	32 V.S.A. §§ 3110, 5874, 7483, 9243, 9776  Allows Department to accept all payment types. Conforms to current Department policy to accept payment by check or ACH		

**H.436 – Miscellaneous Tax Bill – Side-by-Side Summary**  
As Passed by House vs. Senate Proposal of Amendment  
5/18/2021

Sec.	As Passed House	Sec.	Senate Proposal of Amendment
	<p>and to require payment by other means if an uncertified check is not honored.</p> <p>Amends methods of payments for several tax types to refer to 32 V.S.A. § 3110: income tax, estate tax, meals and rooms tax, and sales tax.</p>		
<b>Current Use</b>			
<b>9-10</b>	<p>32 V.S.A. §§ 3757(f) and 3777</p> <p>Replaces inadvertently repealed subsection (§ 3757(f)) and repeals fee section (§ 3777) intended to be repealed on July 1, 2020.</p>		
<b>Sales and Use Tax</b>			
<b>11</b>	<p>32 V.S.A. § 9706(nn)</p> <p>Creates new statutory purpose for tax expenditure created in 2020: sales tax exemption for sales of recyclable paper carryout bags.</p>	<b>11</b>	<p>32 V.S.A. § 9706(nn) and (oo)</p> <p>Creates two new statutory purposes for tax expenditures:</p> <p>(nn) sales tax exemption for sales of recyclable paper carryout bags, which was created in 2020.</p> <p>(oo) sales tax exemption for feminine hygiene products.</p>
		<b>11a</b>	<p>32 V.S.A. § 9741(26) and (56)</p> <p>Clarifies existing sales and use tax exemption for fuel used in residences to create a presumption that wood pellets sold to an individual on a vendor’s premises or delivered to an individual’s residence is a sale for residential use and is tax-exempt.</p> <p>Creates a new sales and use tax exemption for feminine hygiene products and defines those products.</p>

**H.436 – Miscellaneous Tax Bill – Side-by-Side Summary**  
As Passed by House vs. Senate Proposal of Amendment  
5/18/2021

Sec.	As Passed House	Sec.	Senate Proposal of Amendment
<b>Town Clerk Recording Fees</b>			
<b>12</b>	32 V.S.A. § 5258 Increases certain town clerk fees from \$10 to \$15 per page or recording.		
<b>Health Care Sunset Extensions</b>			
<b>13</b>	33 V.S.A. § 1955a Extends sunset of home health agency assessment from July 1, 2021 to July 1, 2023.		
<b>14</b>	32 V.S.A. § 10402 Extends sunset of allocation of health care claims tax revenues to Health IT-Fund from July 1, 2021 to July 1, 2023.		
<b>Pharmaceutical Manufacturers Annual Reporting</b>			
<b>15</b>	18 V.S.A. § 4632 Amends annual deadlines for manufacturers of prescribed products to report and pay fees to the Attorney General's Office for allowable expenditures or gifts. Makes both reporting and fee payment due on or before April 1.		
<b>Workers' Compensation; FY 2022</b>			
<b>16</b>	The FY22 rate of contribution will remain unchanged from the current FY21 rate of 1.4% for workers' compensation		

**H.436 – Miscellaneous Tax Bill – Side-by-Side Summary**  
As Passed by House vs. Senate Proposal of Amendment  
5/18/2021

Sec.	As Passed House	Sec.	Senate Proposal of Amendment
	insurance premiums and of 1% for self-insured workers' compensation losses.		
<b>Effective Dates</b>		<b>Education Property Tax</b>	
<b>17</b>	Default effective date is July 1, 2021	<b>17</b>	Sets the fiscal year 2022 yields and nonhomestead rate: <ul style="list-style-type: none"> <li>• property dollar equivalent yield: \$11,202</li> <li>• income dollar equivalent yield: \$13,770</li> <li>• nonhomestead rate: \$1.628</li> </ul>
<b>(1)</b>	Sec. 1 (taxable meal facilitators) takes effect on August 1, 2021.		
<b>(2)</b>	Sec. 2 (alcoholic beverages) takes effect retroactively on April 1, 2021.		
<b>(3)</b>	Secs. 9–10 (current use contingent lien and subordination fee) and 11 (tax expenditure statutory purpose) take effect retroactively on July 1, 2020. Notes that Secs. 9–10 are retroactive to correct an erroneous technical revision made to an act in 2019.		
		<b>18</b>	16 V.S.A. § 4001 Adds exclusion from excess spending penalty calculation for capital project costs when granted preliminary approval.
		<b>19</b>	16 V.S.A. § 4010 Creates 3.5% hold harmless provision for purposes of determining a school district's weighted membership
		<b>20</b>	16 V.S.A. § 4015 Allows a school district that received a small schools grant in FY 2020 to continue to receive an annual small schools grant.

**H.436 – Miscellaneous Tax Bill – Side-by-Side Summary**  
 As Passed by House vs. Senate Proposal of Amendment  
 5/18/2021

Sec.	As Passed House	Sec.	Senate Proposal of Amendment
<b>Department of Taxes; Property Data Reports</b>			
		<b>21–22</b>	<p>Requires the Commissioner of Taxes, on or before Jan. 15, 2022, to submit 2 reports to the Legislature.</p> <ul style="list-style-type: none"> <li>• Sec. 21. Proposal for ways to assist towns with appraising high-value or unique commercial properties, including property owned by utilities. Proposal must be prepared in consultation with VLCT.</li> <li>• Sec. 22. Report on options to collect and report data annually on the number and grand list value of secondary residences located within this State. Proposal must be prepared in consultation with VLCT and VMCTA.</li> </ul>
<b>Annual Link to Federal Statutes</b>			
		<b>23</b>	<p>32 V.S.A. § 5824</p> <p>Updates the date of conformity of Vermont income tax laws to federal statutes in effect on March 31, 2021. This date captures the American Rescue Plan Act changes applicable to tax year 2021.</p>
		<b>24</b>	<p>32 V.S.A. § 7402(8)</p> <p>Clarifies that Vermont estate tax conformity to federal statutes in effect on a certain date will continue to be the law until amended.</p>
		<b>25</b>	<p><b>REPEAL; FORGIVEN PPP LOAN TAX TREATMENT</b></p> <p>Repeals 2021 Acts and Resolves No. 9, Sec. 23c, which included forgiven payroll protection program loans in taxable income starting in taxable year 2021.</p>

**H.436 – Miscellaneous Tax Bill – Side-by-Side Summary**  
As Passed by House vs. Senate Proposal of Amendment  
5/18/2021

Sec.	As Passed House	Sec.	Senate Proposal of Amendment
<b>Tax Increment Financing Districts</b>			
		<b>26</b>	<p>32 V.S.A. § 5404a(l)(1)</p> <p>Amends audit schedule for Burlington Waterfront Tax Increment Financing District:</p> <ul style="list-style-type: none"> <li>(i) not less than 5 years after effective date of rules adopted under 32 V.S.A. § 5404a(j)(1);</li> <li>(ii) not more than 3 years from the date debt is incurred as allowed by 2020 Acts and Resolves No. 175, Sec. 29 (4);</li> <li>(iii) a final audit at the end of the retention period for the District.</li> </ul>
<b>Effective Dates</b>			
		<b>27</b>	Default effective date is July 1, 2021
		<b>(1)</b>	Sec. 1 (taxable meal facilitators) takes effect on August 1, 2021.
		<b>(2)</b>	Sec. 2 (alcoholic beverages) takes effect retroactively on April 1, 2021.
		<b>(3)</b>	Secs. 9–10 (current use contingent lien and subordination fee) and 11 (tax expenditure statutory purpose) take effect retroactively on July 1, 2020. Notes that Secs. 9–10 are retroactive to correct an erroneous technical revision made to an act in 2019.
		<b>(4)</b>	Secs. 19–20 (3.5 percent hold harmless; small schools grant) take effect on passage.

**H.436 – Miscellaneous Tax Bill – Side-by-Side Summary**  
 As Passed by House vs. Senate Proposal of Amendment  
 5/18/2021

Sec.	As Passed House	Sec.	Senate Proposal of Amendment
		<b>(5)</b>	Sec. 23 (TY 2021 link to federal income tax statutes) takes effect retroactively on March 31, 2021 and applies to taxable years 2021 and after.
		<b>(6)</b>	Sec. 24 (TY 2020 link to federal estate tax statutes) takes effect retroactively on Jan. 1, 2021 and applies to taxable years 2020 and after.
		<b>(7)</b>	Sec. 25 (repeal; forgiven PPP loans included in taxable income) takes effect retroactively on Jan. 1, 2021.