



Miscellaneous Tax Bill
Amy Spear, Vice President of Tourism
House Ways & Means Committee, January 21, 2021

The Vermont Chamber of Commerce represents over 1,200 members statewide, including hundreds of restaurant and lodging members. Informed by routine engagement with our membership and our partners Vermont Independent Restaurants, the Vermont Chamber maintains a knowledgeable perspective on issues impacting Vermont's hospitality industry.

The Vermont Chamber of Commerce is supportive of the proposed application of the Meals Tax when a third-party delivers meals to consumers. This tax application guarantees compliance and aligns with the Vermont Chamber's legislative priority to begin to regulate third-party meal delivery platforms along with our other restaurant priorities.

While delivery represents one of the most important segments of growth for the restaurant industry, platforms are relatively unregulated. The pandemic has accelerated demand for delivery; in [a recent survey](#) of 1,000 adults conducted by the National Restaurant Association, 70% of adults say they ordered delivery from a restaurant during the past six months and 40% had used a third-party delivery company for their delivery in the last six months. This amendment would provide clarity and transparency for operators on Meals Tax collection and remittance responsibility. For consideration, the tax liability should sit with the third-party delivery platform if the transaction is completed within their platform. This would be the same mechanism that exists in the Voluntary Collection Agreement for Airbnb.

Regarding the alcoholic beverage language change, we ask that the Committee look at this as a policy change instead of clarification language. While it may seem like a small adjustment, changing the exemption status when alcohol is part of a fundraiser or public-awareness activity or event for a non-profit organization will have impacts, including on Vermont's craft beverage industry. Right now, the entire restaurant supply chain, of which the craft beverage industry is critical, is in turmoil and trying to survive the impacts of COVID-19.

We thank the Committee and look forward to remaining a resource on these issues.