

Vermont Legislative Joint Fiscal Office

One Baldwin Street • Montpelier, VT 05633-5701 • (802) 828-2295 • Fax: (802) 828-2483

DRAFT-FISCAL NOTE

Date: March 18, 2021

Prepared by: Graham Campbell

H.XXX – An act related to miscellaneous taxes

Summary

The bill makes a number of minor adjustments to Vermont's tax code.

- It clarifies that online delivery platforms are responsible for collecting Meals and Rooms tax for meals sold on their platforms.
- It exempts alcoholic beverages from Meals and Rooms tax in instances where prepared food and other beverages are also exempt, largely non-profit events.
- It allows claimants to amend certain fields on their Property Tax Credit claims.
- It allows the Department of Taxes to accept all payment types.
- Creates new statutory purpose for tax expenditure related to the sale of recyclable paper bags.
- It increases certain town clerk fees from \$10 to \$15 per page or recording.
- Extends sunset of home health agency assessment and its allocation to the Health IT Fund to July 1, 2023.

Fiscal Impact

This bill is expected to reduce revenues by \$75,000 per year. This is divided between the General Fund, the Education Fund, and the Clean Water Fund. This amount is not expected to change much over time. These are due to Sections 1 and 2, which affect the Meals and Rooms tax (see table below).

Summary of Revenue Impacts	
Section	FY22
Overall	-\$75,000
Of which: General Fund	-\$51,750
Of which: Education Fund	-\$18,750
Of which: Clean Water Fund	-\$4,500
1 (Online delivery platforms)	\$50,000
Of which: General Fund	\$34,500
Of which: Education Fund	\$12,500
Of which: Clean Water Fund	\$3,000
2 (Taxable alcoholic beverages)	-\$125,000
Of which: General Fund	-\$86,250
Of which: Education Fund	-\$31,250
Of which: Clean Water Fund	-\$7,500