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H.738

Representative Mulvaney-Stanak of Burlington moves that the bill be amended as follows:

First: By inserting a new section to be Sec. 7a and its reader assistance heading to read as follows:

* * * Unemployment Compensation Exclusion from Gross Income * * *

Sec. 7a. EXCLUSION OF UNEMPLOYMENT COMPENSATION FROM
GROSS INCOME; TAXABLE YEAR 2021

(a) Notwithstanding 32 V.S.A. § 5824, for taxable year 2021 only, the first \$10,200.00 of unemployment compensation received by a taxpayer whose taxable year 2021 adjusted gross income is less than \$150,000.00 shall be excluded from the taxpayer’s taxable income under 32 V.S.A. § 5811(21) as though 26 U.S.C. § 85(c) applied to taxable year 2021.

(b) Notwithstanding subsection (a) of this section, for taxable year 2021, the definition of household income pursuant to 32 V.S.A. § 6061(4)(A) and (5) shall include all unemployment compensation received by a taxpayer in taxable year 2021.

Second: In Sec. 17, effective dates, by inserting a new subsection (d) to read as follows:

1 (d) Notwithstanding 1 V.S.A. § 214, Sec. 7a (exclusion of unemployment
2 compensation from gross income; taxable year 2021) shall take effect
3 retroactively on January 1, 2021 and shall apply to taxable year 2021 only.
4 and by relettering the remaining subsections of Sec. 17, effective dates, to
5 be alphabetically correct.