

1 * * * Forgiven PPP Loan Exclusion * * *

2 Sec. __. EXCLUSION OF FORGIVEN PAYCHECK PROTECTION

3 PROGRAM LOANS FROM GROSS INCOME

4 Notwithstanding 32 V.S.A. § 5824 and any other provision of law to the
5 contrary, the exclusion of income associated with the forgiveness of a covered
6 Paycheck Protection Program loan from gross income pursuant to the
7 Coronavirus Aid, Relief, and Economic Security Act (CARES Act), Pub. L.
8 No. 116-136, § 1106(i), as amended, and the Consolidated Appropriations Act,
9 2021, Pub. L. No. 116-260, § 276 shall not be allowed in computing taxable
10 income under 32 V.S.A. chapter 151. As used in this section, “covered loan”
11 has the same meaning as in the CARES Act, § 1106(a), as amended. Nothing
12 in this section shall affect the deduction of expenses to the extent that payment
13 of the expenses results in forgiveness of a covered loan pursuant to the CARES
14 Act, Pub. L. No. 116-136, § 1106, as amended, and the Consolidated
15 Appropriations Act, 2021, Pub. L. No. 116-260, § 276.

16 Sec. __. EFFECTIVE DATES

17 Sec. X (forgiven PPP loan exclusion) shall take effect on January 1,
18 2021 and shall apply to taxable years beginning on and after January 1, 2021.