

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Ways and Means to which was referred House Bill
3 No. 159 entitled “An act relating to creating the Better Places Program”
4 respectfully reports that it has considered the same and recommends that the
5 report of the Committee on Commerce and Economic Development be
6 amended by striking out Secs. 8–13, downtown tax credit program, in their
7 entireties and inserting in lieu thereof new Secs. 8 and 9 to read as follows:

8 Sec. 8. NEIGHBORHOOD DEVELOPMENT AREA TAX CREDIT;

9 PILOT PROGRAM

10 (a) There is created the Neighborhood Development Area Tax Credit Pilot
11 Program. Qualified applicants may apply to the State Downtown Development
12 Board to obtain the tax credits described in 32 V.S.A. § 5930cc.

13 (b) As used in this section:

14 (1) “Qualified applicant” has the same meaning as 32 V.S.A. § 5930aa.

15 (2) “Qualified building” means a building built at least 30 years before
16 the date of application, located within a neighborhood development area,
17 which, upon completion of the project supported by the tax credit, will be an
18 income-producing building not used solely as a single-family residence.
19 Churches and other buildings owned by religious organization may be
20 qualified buildings, but in no event shall tax credits be used for religious
21 worship.

1 (3) “Qualified code improvement project” means a project:

2 (A) to install or improve platform lifts suitable for transporting
3 personal mobility devices, limited use or limited application elevators,
4 elevators, sprinkler systems, and capital improvements in a qualified building;
5 and the installations or improvements are required to bring the building into
6 compliance with the statutory requirements and rules regarding fire prevention,
7 life safety, and electrical, plumbing, and accessibility codes as determined by
8 the Department of Public Safety;

9 (B) to abate lead paint conditions or other substances hazardous to
10 human health or safety in a qualified building; or

11 (C) to redevelop a contaminated property in a neighborhood
12 development area under a plan approved by the Secretary of Natural Resources
13 pursuant to 10 V.S.A. § 6615a.

14 (4) “Qualified expenditures” has the same meaning as in 32 V.S.A.
15 § 5930aa.

16 (5) “Qualified façade improvement project” means the rehabilitation of
17 the façade of a qualified building that contributes to the integrity of the
18 neighborhood development area. Façade improvements to qualified buildings
19 listed, or eligible for listing, in the State or National Register of Historic Places
20 must be consistent with Secretary of the Interior Standards, as determined by
21 the Vermont Division for Historic Preservation.

1 (6) “Qualified historic rehabilitation project” has the same meaning as in
2 32 V.S.A. § 5930aa.

3 (7) “Qualified project” has the same meaning as in 32 V.S.A. § 5930aa.

4 (c) The tax credits available to qualified applicants under this section shall
5 be the same tax credits established in 32 V.S.A. § 5930cc.

6 (d) To qualify for any of the tax credits under this section, expenditures for
7 the qualified project must exceed \$5,000.00.

8 (e) Application shall be made in accordance with the guidelines set by the
9 State Downtown Development Board.

10 (f) The provisions of 32 V.S.A. § 5930dd shall apply to the tax credits
11 issued under this section.

12 (g) For fiscal years 2022 and 2023, the State Downtown Development
13 Board may award tax credits to all qualified applicants under this section,
14 provided that:

15 (1) the total amount of tax credits awarded annually, together with sales
16 tax reallocated under 32 V.S.A. § 9819, does not exceed \$1,500,000.00;

17 (2) a total annual allocation of not more than 30 percent of these tax
18 credits may be awarded in connection with all of the projects in a single
19 municipality;

20 (3) façade tax credits shall not be available for projects that qualify for
21 the federal rehabilitation tax credit;

