* * * Annual Link to Federal Statutes * * *

Sec. __. 32 V.S.A. § 5824 is amended to read:

§ 5824. ADOPTION OF FEDERAL INCOME TAX LAWS

The statutes of the United States relating to the federal income tax, as in effect on December 31, ~~2019~~ 2020, but without regard to federal income tax rates under 26 U.S.C. § 1, are hereby adopted for the purpose of computing the tax liability under this chapter.

Sec. __. 32 V.S.A. § 7402(8) is amended to read:

(8) "Laws of the United States" means the U.S. Internal Revenue Code of 1986, as amended through December 31, ~~2019~~ 2020. As used in this chapter, "Internal Revenue Code" has the same meaning as "laws of the United States" as defined in this subdivision.

* * * Effective Dates * * *

Sec. __. EFFECTIVE DATES

This act shall take effect on passage except, notwithstanding 1 V.S.A. § 214, Secs. XX–XX (annual link to federal statutes) shall take effect retroactively on January 1, 2021 and apply to taxable years beginning on and after January 1, 2020.

DRAFT