

**H.437 – Revenue Bill – Side-by-Side Summary**  
As Passed by House vs. Senate Finance Proposal of Amendment  
5/14/2021

| Sec.   | As Passed House   | Sec.         | Senate Finance Proposal of Amendment  |
|--|---|--------------|---|
| <b>Property Transfer Tax Surcharge</b>               |   |              |   |
| <b>1</b>   | <p>32 V.S.A. § 9602</p> <p>Imposes a surcharge of 0.5% on transfers of property by deeded title when transfer is over \$1 million.</p> <p>Requires Commissioner of Taxes to annually estimate the revenue raised by the surcharge and deposit all of that revenue into the General Fund.</p>  | <b>1</b>     | <p>32 V.S.A. § 9602(4)</p> <p>Applies a surcharge of 0.5% on transfers of all property (by deeded title or controlling interests) when transfer is over \$1.5 million.</p> <p>Requires Commissioner to annually estimate the revenue raised by the surcharge and deposit all of that revenue into the General Fund.</p> |
| <b>2</b>   | <p>32 V.S.A. § 435(b)</p> <p>Clarifies that all revenue raised by the surcharge is to be allocated to the General Fund.</p>   | <b>2</b>     |   |
| <b>Allocation of Property Transfer Tax Surcharge</b> |   |              |   |
| <b>3</b>   | <p>32 V.S.A. § 9610</p> <p>Notwithstanding the statutory allocation of revenues to the Vermont Housing and Conservation Trust Fund and Municipal and Regional Planning Fund, and requires Commissioner of Taxes to annually estimate the revenue raised by the surcharge and deposit all of that revenue into the General Fund.</p> | <b>3</b>     |   |
| <b>Sunset of Property Transfer Tax Surcharge</b>     |   |              |   |
|  |   | <b>3a–3c</b> | <p>32 V.S.A. § 435(b), 9602, and 9610</p> <p>Sunsets surcharge and allocation (7 years after surcharge takes effect).</p>   |

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|--|--|------------|--|
| <b>Sales and Use Tax; Exemption; Manufacturing Machinery</b> |  |            |  |
| <b>4</b>   | 32 V.S.A. § 9741(14)<br>Expands the sales and use tax exemption for manufacturing machinery and equipment to exempt equipment that is part of an integrated production process.                                |            |  |
| <b>Affordable Housing Tax Credit; Manufactured Home</b>      |  |            |  |
| <b>5</b>   | 32 V.S.A. § 5930u(g)<br>Increases annual amount of first-year affordable housing tax credits by \$250,000 per year, and dedicates that amount to credits used for purchasing and restoring manufactured homes. |            |  |
|  |  | <b>6</b>   | 32 V.S.A. § 5930u(g)<br>Sunsets \$250,000 annual increase in first-year credits (5 years after increase takes effect). |
| <b>Effective Date</b>  |  |            |  |
| <b>6</b>   | Effective on July 1, 2021.   | <b>7</b>   | Default effective date is July 1, 2021   |
|  |  | <b>(1)</b> | Sec. 6 (sunset; increase to manufactured homes credit) takes effect on July 1, 2026.                                   |
|  |  | <b>(2)</b> | Secs. 3a–3c (sunset; property transfer tax surcharge) takes effect on July 1, 2028.                                    |