

1 H.505

2 Introduced by Representatives Clifford of Rutland City, Howard of Rutland

3 City, Maguire of Rutland City, and Notte of Rutland City

4 Referred to Committee on

5 Date:

6 Subject: Municipal government; municipal charters; City of Rutland;

7 amendment

8 Statement of purpose of bill as introduced: This bill proposes to amend the
9 charter of the City of Rutland to authorize the Board of Aldermen to assess a
10 one percent tax on sales.

11 An act relating to approval of an amendment to the charter of the City of
12 Rutland

13 It is hereby enacted by the General Assembly of the State of Vermont:

14 Sec. 1. CHARTER AMENDMENT APPROVAL

15 The General Assembly approves the amendment of the charter of the City
16 of Rutland as set forth in this act. Voters approved the proposal of amendment
17 on March 7, 2023.

18 Sec. 2. 24 App. V.S.A. chapter 9 is amended to read:

19 CHAPTER 9. CITY OF RUTLAND

20 * * *

1 § 8.9. LOCAL OPTION TAX

2 (a) A local option sales tax is authorized under this section for the purpose
3 of affording the City an alternative method of raising municipal revenues with
4 the goal of lessening the impact of certain expenses on the property tax or
5 water and sewer fees, or both.

6 (b) The Board of Aldermen may authorize the assessment of a sales tax of
7 one percent.

8 (c) Any tax imposed under the authority of this section shall be collected
9 and administered by the Vermont Department of Taxes pursuant to 24 V.S.A.
10 § 138.

11 ~~(d) Revenues received through a tax imposed under this section shall only~~
12 ~~be used in the following ways:~~

13 ~~(1) to deposit in any capital improvement reserve fund established in~~
14 ~~accordance with 24 V.S.A. § 2804;~~

15 ~~(2) to reduce the deficit in any underfunded pension;~~

16 ~~(3) to finance the construction, reconstruction, or repair of City~~
17 ~~buildings, streets, sidewalks, or other infrastructure; or~~

18 ~~(4) any combination of the ways enumerated in this subsection.~~

(d) Revenues received through a tax imposed under this section shall be
used for any of the following:

(1) deposit in any capital improvement reserve fund established in accordance with 24 V.S.A. § 2804;

(2) reducing the deficit in any underfunded pension; or

(3) financing the construction, reconstruction, or repair of City buildings, streets, sidewalks, or other infrastructure.

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Sec. 3. EFFECTIVE DATE

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This act shall take effect on passage.