1	H.144
2	Introduced by Representative Mulvaney-Stanak of Burlington
3	Referred to Committee on
4	Date:
5	Subject: Taxation; personal income tax; exemption; unemployment
6	compensation
7	Statement of purpose of bill as introduced: This bill proposes to exempt
8	unemployment compensation benefits from income taxation in certain
9	instances.
10	An act relating to exempting unemployment compensation from income tax
11	It is hereby enacted by the General Assembly of the State of Vermont:
12	* * * Exemption from Income Taxation * * *
13	Sec. 1. 32 V.S.A. § 5811(21) is amended to read:
14	(21) "Taxable income" means, in the case of an individual, federal
15	adjusted gross income determined without regard to 26 U.S.C. § 168(k) and:
16	* * *
17	(B) decreased by the following items of income (to the extent such
18	income is included in federal adjusted gross income):
19	* * *

## BILL AS INTRODUCED 2023

1	(v) the amount of any federal deduction or credit that the taxpayer
2	would have been allowed for the cultivation, testing, processing, or sale of
3	cannabis or cannabis products as authorized under 7 V.S.A. chapter 33 or 37,
4	but for 26 U.S.C. § 280E; and
5	* * *
6	(vii) the amount of unemployment compensation received by the
7	taxpayer during the taxable year, provided, irrespective of filing status, the
8	taxpayer's adjusted gross income is less than or equal to \$125,000.00; and
9	* * *
10	Sec. 2. 32 V.S.A. § 5813(aa) is added to read:
11	(aa) The statutory purpose of the exclusion from income of unemployment
12	compensation in subdivision 5811(21)(B)(vii) of this title is to lessen the
13	financial impact of job loss on Vermonters with low to moderate incomes.
14	* * * Effective Date * * *
15	Sec. 3. EFFECTIVE DATE
16	Notwithstanding 1 V.S.A. § 214, this act shall take effect retroactively on
17	January 1, 2023 and shall apply to taxable years beginning on and after
18	January 1, 2023.