

1 Sec. 1. 32 V.S.A. § 5811(18) is amended to read:

2 (18) “Vermont net income” means, for any taxable year and for any
3 corporate taxpayer:

4 (A) the taxable income of the taxpayer for that taxable year under the
5 laws of the United States, without regard to 26 U.S.C. § 168(k), and excluding
6 income that under the laws of the United States is exempt from taxation by the
7 states:

8 (i) increased by:

9 (I) the amount of any deduction for State and local taxes on or
10 measured by income, franchise taxes measured by net income, franchise taxes
11 for the privilege of doing business and capital stock taxes; ~~and~~

12 (II) to the extent such income is exempted from taxation under
13 the laws of the United States ~~by~~, the amount received by the taxpayer on and
14 after January 1, 1986 as interest income from state and local obligations, other
15 than obligations of Vermont and its political subdivisions, and any dividends
16 or other distributions from any fund to the extent such dividend or distribution
17 is attributable to such Vermont State or local obligations;

18 (III) the amount of any deduction for a federal net operating
19 loss; and

20 (IV) the amount of deduction for global intangible low-taxed
21 income allowed under 26 U.S.C. § 250(a)(1)(B); and

1 (ii) decreased by:

2 * * *

3 Sec. 2. Sec. 1. 32 V.S.A. § 5811(18) is amended to read:

4 (18) “Vermont net income” means, for any taxable year and for any
5 corporate taxpayer:

6 (A) the taxable income of the taxpayer for that taxable year under the
7 laws of the United States, without regard to 26 U.S.C. § 168(k), and excluding
8 income that under the laws of the United States is exempt from taxation by the
9 states:

10 (i) increased by:

11 (I) the amount of any deduction for State and local taxes on or
12 measured by income, franchise taxes measured by net income, franchise taxes
13 for the privilege of doing business and capital stock taxes; ~~and~~

14 (II) to the extent such income is exempted from taxation under
15 the laws of the United States ~~by~~, the amount received by the taxpayer on and
16 after January 1, 1986 as interest income from state and local obligations, other
17 than obligations of Vermont and its political subdivisions, and any dividends
18 or other distributions from any fund to the extent such dividend or distribution
19 is attributable to such Vermont State or local obligations;

20 (III) the amount of any deduction for a federal net operating
21 loss; and

1 (IV) any amount of deduction allowed under 26 U.S.C. § 250;

2 and

3 (ii) decreased by:

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