

* * * 10-YEAR TAX STUDY * * *

Sec. 52. VERMONT 10-YEAR TAX STUDY

(a) The Joint Fiscal Office, with assistance from the Office of Legislative Counsel, and under the direction of the Joint Fiscal Committee, shall conduct a decennial study of Vermont State taxes.

(b) In conducting the study, the Joint Fiscal Office shall:

(1) Starting with 2015, analyze historical trends comparing Vermont taxes to the tax systems of other states, including a comparison of the percentage of Vermont revenue from each State-level source to the percentage of revenue from each state-level source in other states.

(2) Analyze Vermont's taxation levels and tax responsibilities per capita, per income level, and by incidence on typical Vermont families of varying incomes, and on typical Vermont business enterprises of varying sizes and types, and analyze trends in the taxpayer revenue bases for various tax types.

(3) Analyze and identify any issues or trends relating to tax flight, tax avoidance, and gaps in enforcement.

(4) Recommend areas for further research and analysis, including ways to further research the topics of wealth and income in Vermont's aging demographic.

(c) Based upon the information resulting from the study in subsection (b) of this section, the Joint Fiscal Office shall, as part of the study or separately, review income eligibility criteria for various tax provisions and benefit programs to assess where potential gaps in eligibility or benefits cliffs may exist under Vermont's existing tax laws.

(d) For purposes of the study conducted under this section, the Department of Taxes shall provide assistance as requested by the Joint Fiscal Office.

(e) In fiscal year 2027, \$100,000.00 is appropriated from the General Fund to the Joint Fiscal Office for consultant assistance, data analysis, and other expenses related to the study conducted under this section.

(f) The Joint Fiscal Office shall submit the Vermont 10-year tax study to the House Committee on Ways and Means and the Senate Committee on Finance on or before January 15, 2027.