

H.933

Representative North of Ferrisburgh moves that the bill be amended as follows:

First: By adding a new section to be Sec. 63a to read as follows:

Sec. 63a. 32 V.S.A. § 5830e is amended to read:

§ 5830e. RETIREMENT INCOME; SOCIAL SECURITY INCOME

(a) Social Security income. The portion of federally taxable Social Security benefits excluded from taxable income under subdivision 5811(21)(B)(iv) of this chapter shall be as follows:

(1) For taxpayers whose filing status is single, married filing separately, head of household, or surviving spouse:

(A) If the federal adjusted gross income of the taxpayer is less than or equal to ~~\$55,000.00~~ \$127,000.00, all federally taxable benefits received under the federal Social Security Act shall be excluded.

(B) If the federal adjusted gross income of the taxpayer is greater than ~~\$55,000.00~~ \$127,000.00 but less than ~~\$65,000.00~~ \$137,000.00, the percentage of federally taxable benefits received under the Social Security Act to be excluded shall be proportional to the amount of the taxpayer's federal adjusted gross income over ~~\$55,000.00~~ \$127,000.00, determined by:

(i) subtracting the federal adjusted gross income of the taxpayer from ~~\$65,000.00~~ \$137,000.00;

1 (ii) dividing the value under subdivision (i) of this subdivision (B)
2 by \$10,000.00; and

3 (iii) multiplying the value under subdivision (ii) of this
4 subdivision (B) by the federally taxable benefits received under the Social
5 Security Act.

6 (C) If the federal adjusted gross income of the taxpayer is equal to or
7 greater than ~~\$65,000.00~~ \$137,000.00, no amount of the federally taxable
8 benefits received under the Social Security Act shall be excluded under this
9 section.

10 (2) For taxpayers whose filing status is married filing jointly:

11 (A) If the federal adjusted gross income of the taxpayer is less than or
12 equal to ~~\$70,000.00~~ \$142,000.00, all federally taxable benefits received under
13 the Social Security Act shall be excluded.

14 (B) If the federal adjusted gross income of the taxpayer is greater
15 than ~~\$70,000.00~~ \$142,000.00 but less than ~~\$80,000.00~~ \$152,000.00, the
16 percentage of federally taxable benefits received under the Social Security Act
17 to be excluded shall be proportional to the amount of the taxpayer's federal
18 adjusted gross income over ~~\$70,000.00~~ \$142,000.00, determined by:

19 (i) subtracting the federal adjusted gross income of the taxpayer
20 from ~~\$80,000.00~~ \$152,000.00;

1 (ii) dividing the value under subdivision (i) of this subdivision (B)
2 by \$10,000.00; and

3 (iii) multiplying the value under subdivision (ii) of this
4 subdivision (B) by the federally taxable benefits received under the Social
5 Security Act.

6 (C) If the federal adjusted gross income of the taxpayer is equal to or
7 greater than ~~\$80,000.00~~ \$152,000.00, no amount of the federally taxable
8 benefits received under the Social Security Act shall be excluded under this
9 section.

10 * * *

11 Second: By striking out Sec. 64, effective dates, in its entirety and inserting
12 in lieu thereof a new Sec. 64 to read as follows:

13 Sec. 64. EFFECTIVE DATES

14 This act shall take effect on passage except:

15 (1) Notwithstanding 1 V.S.A. § 214, Sec. 1 (credit for taxes paid in
16 another state by an S corporation) shall take effect retroactively on January 1,
17 2025, and shall apply to taxable years beginning on and after January 1, 2025.

18 (2) Secs. 3 and 4 (current use; land use change tax) shall take effect on
19 October 1, 2026.

20 (3) Sec. 20 (grand list definition of parcel) shall take effect on April 1,
21 2027, and shall apply to grand lists lodged on and after that date.

1 (4) Sec. 22 (Department of Fish and Wildlife rule on fees) shall take
2 effect on July 1, 2027.

3 (5) Secs. 24–48 (grand list assessment date) shall take effect on July 1,
4 2031, and shall apply to grand lists lodged after that date.

5 (6) Sec. 58 (Vermont research and development tax credit) shall take
6 effect on January 1, 2027, and shall apply to taxable years beginning on and
7 after January 1, 2027.

8 (7) Notwithstanding 1 V.S.A. § 214, Secs. 55–57 (decoupling from
9 select provisions of IRC), and Secs. 60 and 61 (annual link-up) shall take effect
10 retroactively on January 1, 2026, and shall apply to taxable years beginning on
11 and after January 1, 2025.

12 (8) Sec. 63a (social security exemption) shall take effect on January 1,
13 2027 and apply to taxable years beginning on and after January 1, 2027.