

1 Introduced by Committee on Economic Development, Housing and General

2 Affairs

3 Referred to Committee on

4 Date:

5 Subject: Housing; taxation; tax credit

6 Statement of purpose of bill as introduced: This bill proposes to adopt  
7 miscellaneous housing proposals to make new investments in housing by  
8 authorizing a new housing bond, expanding the scope of the property transfer  
9 tax, increasing the first-time home buyer down payment assistance program tax  
10 credit, expanding the scope of the downtown tax credit program, and  
11 expanding the scope of the tax on short-term rentals.

12 An act relating to housing investments

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

14 \* \* \* Housing Bond \* \* \*

15 \* \* \* Vermont Housing and Conservation Board;

16 Bond Proceeds for Housing \* \* \*

17 Sec. 1. FINDINGS AND PURPOSE; AFFORDABLE HOUSING BOND

18 (a) Findings.

19 (1) In 2017 the General Assembly, in partnership with the Vermont  
20 Housing Conservation Board, the Vermont Housing Finance Agency, the State

1 Treasurer, and other affordable housing stakeholders, provided for the funding  
2 and creation of an affordable housing bond to support the development of  
3 affordable housing throughout the State.

4 (2) To date, the Vermont Housing Conservation Board has committed  
5 over \$24.8 million of the total \$37 million bond proceeds, leveraging another  
6 \$140 million through partner programs and supporting the creation of  
7 approximately 550 housing units. The remaining bond proceeds are expected  
8 to be fully committed by the end of 2019. The Vermont Housing Conservation  
9 Board is on track to meet or exceed the production and leveraging goals of the  
10 bond and meet the income targeting requirements.

11 (3) The General Assembly finds that additional investments are needed  
12 to help create more affordable housing options for Vermonters.

13 (b) Purpose and intent.

14 (1) The purpose of Secs. 1–13 of this act is to promote the development  
15 and improvement of affordable housing for current and future Vermont  
16 residents throughout the State.

17 (2) It is the intent of the General Assembly:

18 (A) to authorize the Vermont Housing Finance Agency to issue a  
19 new housing bond in FY 2021 and transfer the proceeds to the Vermont  
20 Housing Conservation Board to support the development of additional  
21 affordable housing;





1           (12) “Controlling interest” means:

2           (A) In the case of a corporation, either 50 percent or more of the total  
3           combined voting power of all classes of stock of such corporation or  
4           50 percent or more of the capital, profits, or beneficial interest in such voting  
5           stock of such corporation.

6           (B) In the case of a partnership, association, trust or other entity,  
7           50 percent or more of the capital, profits, or beneficial interest in such  
8           partnership, association, trust, or other entity.

9           (C) For purposes of the tax imposed pursuant to section 9602 of this  
10          title:

11           (i) Interests in any partnership, association, or other entity  
12          originally purchased in connection with the federal low income housing tax  
13          credit program under 26 U.S.C. § 42 shall not be counted in determining a  
14          change in the “controlling interest”.

15           (ii) All acquisitions of persons acting in concert are aggregated for  
16          purposes of determining whether a transfer or acquisition of a controlling  
17          interest has taken place. The Commissioner shall adopt standards by  
18          regulation to determine when persons are acting in concert. In adopting a  
19          regulation for this purpose, the Commissioner shall consider the following:





1 Sec. 6. 32 V.S.A. § 9607 is amended to read:

2 § 9607. ACKNOWLEDGMENT OF RETURN AND TAX PAYMENT

3 Upon the receipt by a town clerk of a property transfer return and certificate  
4 and the fee required under subdivision 1671(a)(6) of this title, the clerk shall  
5 forthwith mail or otherwise deliver to the transferee of title to property with  
6 respect to which such return was filed a signed and written acknowledgment of  
7 the receipt of that return and certificate. A copy of that acknowledgment, or  
8 any other form of acknowledgment approved by the Commissioner, shall be  
9 affixed to the deed evidencing the transfer of property or the document  
10 evidencing the transfer or acquisition of a direct or indirect controlling interest  
11 in any person with title to property with respect to which the return and  
12 certificate was filed. The acknowledgment so affixed to a deed or document,  
13 however, shall not disclose the amount of tax paid with respect to any return or  
14 transfer.

15 Sec. 7. 32 V.S.A. § 9608(a) is amended to read:

16 (a) Except as to transfers ~~which~~ that are exempt pursuant to subdivision  
17 9603(17) of this title, no town clerk shall record, or receive for recording, any  
18 deed or document evidencing the transfer or acquisition of a direct or indirect  
19 controlling interest in any person with title to property to which is not attached  
20 a properly executed transfer tax return, complete and regular on its face, and a  
21 certificate in the form prescribed by the Natural Resources Board and the

1 Commissioner of Taxes that the conveyance of the real property and any  
2 development thereon by the seller is in compliance with or exempt from the  
3 provisions of 10 V.S.A. chapter 151. The certificate shall indicate whether or  
4 not the conveyance creates the partition or division of land. If the conveyance  
5 creates a partition or division of land, there shall be appended the current “Act  
6 250 Disclosure Statement,” required by 10 V.S.A. § 6007. A town clerk who  
7 violates this section shall be fined \$50.00 for the first such offense and \$100.00  
8 for each subsequent offense. A person who purposely or knowingly falsifies  
9 any statement contained in the certificate required is punishable by fine of not  
10 more than \$500.00 or imprisonment for not more than one year, or both.

11 Sec. 8. 32 V.S.A. § 9618 is amended to read:

12 § 9618. DUTY TO REPORT STOCK ACQUISITIONS

13 Each person who acquires a controlling interest in a corporation, whether by  
14 one or more than one transfer of stock, shall, if the fair market value of all real  
15 property held in this State by the corporation exceeds \$500,000.00, report to  
16 the Commissioner of Taxes, within 30 days after the acquisition, the fair  
17 market value of all real property held in this State by the corporation at the  
18 time of the acquisition of the controlling interest. ~~As used in this section, a~~  
19 ~~“controlling interest” means 50 percent or more of the total combined voting~~  
20 ~~power of all classes of stock of the corporation.~~



1 Sec. 10. 10 V.S.A. § 323 is amended to read:

2 § 323. ANNUAL REPORT

3 Prior to January 31 of each year, the Board shall submit a report concerning  
4 its activities to the Governor and to the House Committees on Agriculture and  
5 Forestry, on Appropriations, on Corrections and Institutions, on Natural  
6 Resources, Fish and Wildlife, and on Ways and Means and the Senate  
7 Committees on Agriculture, on Appropriations, on Finance, on Institutions,  
8 and on Natural Resources and Energy. The report shall include the following:

9 (1) a list and description of activities funded by the Board during the  
10 preceding year, including commitments made to fund projects through housing  
11 bond proceeds pursuant to ~~section~~ sections 314 and 315 of this title, and  
12 project descriptions, levels of affordability, and geographic location;

13 \* \* \*

14 \* \* \* Allocation of Property Transfer Tax Revenues \* \* \*

15 Sec. 11. 32 V.S.A. § 9610 is amended to read:

16 § 9610. REMITTANCE OF RETURN AND TAX; INSPECTION OF  
17 RETURNS

18 (a) Not later than 30 days after the receipt of any property transfer return, a  
19 town clerk shall file the return in the office of the town clerk and electronically  
20 forward a copy of the acknowledged return to the Commissioner; provided,  
21 however, that with respect to a return filed in paper format with the town, the

1 Commissioner shall have the discretion to allow the town to forward a paper  
2 copy of that return to the Department.

3 (b) The copies of property transfer returns in the custody of the town clerk  
4 may be inspected by any member of the public.

5 (c) Prior to distributions of property transfer tax revenues under 10 V.S.A.  
6 § 312, 24 V.S.A. § 4306(a), and subdivision 435(b)(10) of this title, two  
7 percent of the revenues received from the property transfer tax shall be  
8 deposited in a special fund in the Department of Taxes for Property Valuation  
9 and Review administration costs.

10 (d)(1) Prior to any distribution of property transfer tax revenue under  
11 10 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and  
12 subsection (c) of this section, \$2,500,000.00 of the revenue received from the  
13 property transfer tax shall be transferred to the Vermont Housing Finance  
14 Agency to pay the principal of and interest due on the bonds, notes, and other  
15 obligations authorized to be issued by the Agency pursuant to 10 V.S.A.  
16 § 621(22), the proceeds of which the Vermont Housing and Conservation  
17 Board shall use to create affordable housing pursuant to 10 V.S.A. § 314.

18 ~~(2) As long as the bonds, notes, and other obligations incurred pursuant~~  
19 ~~to subdivision (1) of this subsection remain outstanding, the rate of tax~~  
20 ~~imposed pursuant to section 9602 of this title shall not be reduced below a rate~~

1 ~~estimated, at the time of any reduction, to generate annual revenues of at least~~  
2 ~~\$12,000,000.00.~~

3 (e) Prior to any distribution of property transfer tax revenue under  
4 10 V.S.A. § 312, 24 V.S.A. § 4306(a), subdivision 435(b)(10) of this title, and  
5 subsection (c) of this section, \$4,000,000.00 of the revenue received from the  
6 property transfer tax shall be transferred to the Vermont Housing Finance  
7 Agency to pay the principal of and interest due on the bonds, notes, and other  
8 obligations authorized to be issued by the Agency pursuant to 10 V.S.A.  
9 § 621(23), the proceeds of which the Vermont Housing and Conservation  
10 Board shall use to create housing pursuant to 10 V.S.A. § 315.

11 (f) Provided bonds, notes, and other obligations incurred pursuant to  
12 subsection (d) or (e) of this section, or both, remain outstanding, the rate of tax  
13 imposed pursuant to section 9602 of this title shall not be reduced below a rate  
14 estimated, at the time of any reduction, to generate annual revenues of:

15 (1) at least \$30,000,000.00 while bonds, notes, and other obligations  
16 incurred pursuant to both subsections remain outstanding; and

17 (2) at least \$18,000,000.00 while bonds, notes, and other obligations  
18 incurred pursuant to subsection (d) of this section have been satisfied but  
19 obligations under subsection (e) of this section remain outstanding.



1           (23) issue bonds, notes, and other obligations secured by the property  
2           transfer tax revenues transferred to the Agency pursuant to 32 V.S.A.  
3           § 9610(e).

4           Sec. 13. 10 V.S.A. § 631(m) is added to read:

5           (m)(1) The bonds, notes, and other obligations authorized to be issued  
6           pursuant to subdivision 621(23) of this title shall be secured by a pledge of  
7           \$4,000,000.00 from the property transfer tax revenues to be transferred to the  
8           Agency pursuant to 32 V.S.A. § 9610(e) and shall mature on or before June 30,  
9           2040.

10           (2) The Agency may issue the bonds, notes, and other obligations in one  
11           or more series at one time or from time to time, provided that the aggregate  
12           annual debt service on the bonds, notes, and other obligations shall not exceed  
13           \$4,000,000.00 at any time.

14           (3) The Agency shall transfer the proceeds of the bonds, notes, and other  
15           obligations, less issuance fees and costs and required reserves, to the Vermont  
16           Housing and Conservation Trust Fund established pursuant to section 312 of  
17           this title for use by the Vermont Housing and Conservation Board as provided  
18           in section 315 of this title.

19           (4) The Agency, the Vermont Housing and Conservation Board, and the  
20           State Treasurer may execute one or more agreements governing the terms and  
21           conditions under which the property transfer tax revenues that secure the

1 bonds, notes, and obligations shall be transferred to the Agency, and any other  
2 issues they determine appropriate.

3 \* \* \* Reserve Funding for Housing Bond \* \* \*

4 Sec. 14. FY 2020 RESERVE FUNDING; HOUSING BOND; VERMONT  
5 HOUSING AND CONSERVATION TRUST FUND

6 In fiscal year 2020, the amount of \$4,000,000.00 in revenues generated  
7 from the property transfer tax and the revenues generated from the rooms tax  
8 on short-term rentals shall be transferred to the Vermont Housing and  
9 Conservation Trust Fund to reserve for future debt payments on the new  
10 housing bond authorized in Secs. 12 and 13 of this act.

11 \* \* \* Repeal of Housing Bond Provisions After Life of Bond \* \* \*

12 Sec. 15. REPEAL

13 (a) The following are repealed on July 1, 2040:

14 (1) 10 V.S.A. § 315 (Vermont Housing and Conservation Board;  
15 housing bond and investments).

16 (2) 10 V.S.A. § 621(23) (Vermont Housing Finance Agency (VHFA)  
17 authority to issue debt obligations).

18 (3) 10 V.S.A. § 631(m) (debt obligations issued by VHFA).

19 (4) 32 V.S.A. § 9610(e)–(f) (property transfer tax priority for housing  
20 debt repayment).

\* \* \* Housing Cost Study \* \* \*

Sec. 16. AFFORDABLE RENTAL HOUSING; DEVELOPMENT COSTS;  
STUDY

(a) The Vermont Housing Finance Agency, in coordination with the Vermont Housing and Conservation Board and the Vermont Department of Housing and Community Development, shall engage a qualified independent third party to study and analyze affordable rental housing development costs in Vermont for the purpose of identifying ways to reduce costs while maintaining housing quality. The study shall include an analysis the specific components of cost, a comparison to market rate rental housing, the impact of public policy, and draw from available state, regional, and national data sources to ensure findings are considered with geographical context.

(b) On or before January 15, 2020, the Vermont Housing Finance Agency shall submit a written copy of the study described in subsection (a) of this section to the House Committee on Housing, General, and Military Affairs and the Senate Committee on Economic Development, Housing and General Affairs.

\* \* \* First-Time Home Buyer Down Payment Assistance Program \* \* \*

Sec. 17. 32 V.S.A. § 5930u is amended to read:

§ 5930u. TAX CREDIT FOR AFFORDABLE HOUSING

(a) As used in this section:

1 (1) “Affordable housing project” or “project” means:

2 (A) a rental housing project identified in 26 U.S.C. § 42(g); or

3 (B) owner-occupied housing identified in 26 U.S.C. § 143 (c)(1) or

4 that qualifies under Vermont Housing Finance Agency criteria governing

5 owner-occupied housing.

6 (2) “Affordable housing tax credits” means the tax credit provided by

7 this subchapter.

8 (3) “Allocating agency” or “Agency” means the Vermont Housing

9 Finance Agency.

10 (4) “Committee” means the Joint Committee on Tax Credits consisting

11 of five members: a representative from the Department of Housing and

12 Community ~~Affairs~~ Development, the Vermont Housing and Conservation

13 Board, the Vermont Housing Finance Agency, the Vermont State Housing

14 Authority, and the Office of the Governor.

15 (5) “Credit certificate” means a certificate issued by the allocating

16 agency to a taxpayer that specifies the amount of affordable housing tax credits

17 that can be applied against the taxpayer’s individual or corporate income tax,

18 or franchise, captive insurance premium, or insurance premium tax liability as

19 provided in this subchapter.

20 (6) “Eligible applicant” means any municipality, ~~private sector~~

21 ~~developer~~, State agency as defined in 10 V.S.A. § 6301a, the Vermont Housing

1 Finance Agency, a for-profit organization, or a nonprofit organization  
2 qualifying under 26 U.S.C. § 501(c)(3) or cooperative housing organization,  
3 the purpose of which is to create and retain affordable housing for Vermonters  
4 with lower income and which has in its bylaws a requirement that the housing  
5 the organization creates be maintained as affordable housing for Vermonters  
6 with lower income on a perpetual basis meeting the application requirements  
7 of the allocation plan.

8 (7) “Eligible cash contribution” means an amount of cash:

9 (A) contributed to the owner, developer, or sponsor of an affordable  
10 housing project and determined by the allocating agency as eligible for  
11 affordable housing tax credits; or

12 (B) paid to the Agency in connection with the purchase of affordable  
13 housing tax credits.

14 (8) “Section 42 credits” means tax credit provided by 26 U.S.C.  
15 §§ 38 and 42.

16 (9) “Allocation plan” means the plan recommended by the Committee  
17 and approved by the Vermont Housing Finance Agency, which sets forth the  
18 eligibility requirements and process for selection of eligible rental housing  
19 projects to receive affordable housing tax credits and eligible owner-occupied  
20 housing projects to receive loans or grants under this section. The allocation  
21 plan shall include:

1 (A) requirements for creation and retention of affordable housing for  
2 persons with low income; and

3 (B) requirements to ensure that eligible rental housing is maintained  
4 as affordable by subsidy covenant, as defined in 27 V.S.A. § 610 on a  
5 perpetual basis and that eligible owner-occupied housing or program funds for  
6 owner-occupied housing remain as an affordable housing source for future  
7 owners or buyers, and meets all other requirements of the Vermont Housing  
8 Finance Agency related to affordable housing.

9 (10) “Taxpayer” means a taxpayer who makes an eligible cash  
10 contribution or the assignee or transferee of or successor to such taxpayer as  
11 determined by the Department of Taxes.

12 (b) Eligible tax credit allocations.

13 (1) Affordable housing credit allocation for rental housing.

14 (A) An eligible applicant may apply to the allocating agency for an  
15 allocation of affordable rental housing tax credits under this section related to  
16 an affordable housing project authorized by the allocating agency under the  
17 allocation plan. In the case of a specific affordable rental housing project,  
18 the eligible applicant shall also be the owner or a person having the right to  
19 acquire ownership of the building and shall apply prior to placement of the  
20 affordable housing project in service. ~~In the case of owner-occupied housing~~  
21 ~~units, the applicant shall ensure that the allocated housing or program funds~~

1 ~~remain as an affordable housing resource for future owners.~~ The allocating  
2 agency shall issue a letter of approval if it finds that the applicant meets the  
3 priorities, criteria, and other provisions of subdivision (B) of this  
4 subdivision (b)(1) The burden of proof shall be on the applicant.

5 (B) Upon receipt of a completed application, the allocating agency  
6 shall award an allocation of affordable housing tax credits with respect to a  
7 project to an applicant, provided the applicant demonstrates to the satisfaction  
8 of the allocating agency all of the following:

9 (i) The owner of the project has received from the allocating  
10 agency a binding commitment for, a reservation or allocation of, or an out-of-  
11 cap determination letter for, Section 42 credits, or meets the requirements of  
12 the allocation plan for development or financing of units to be owner-occupied.

13 (ii) The project has received community support.

14 (2) Affordable housing credit allocation for loans or grants for owner-  
15 occupied housing.

16 (A) The Vermont Housing Finance Agency shall have the authority  
17 to allocate affordable housing tax credits to provide funds to make loans or  
18 grants to eligible applicants for affordable owner-occupied housing. An  
19 eligible applicant may apply to the allocating agency for a loan or grant under  
20 this section related to an affordable owner-occupied housing project authorized  
21 by the allocating agency under the allocation plan. In the case of a specific

1 affordable owner-occupied housing project, the eligible applicants shall also be  
2 the owner or a person having the right to acquire ownership of the unit and  
3 shall apply prior to sale of the unit to the homeowner.

4 (B) The Agency shall require that the loan or grant recipient use such  
5 funds to maintain the unit as an affordable owner-occupied unit or as an  
6 affordable housing source for future owners or buyers.

7 (C) The Agency shall use the proceeds of loans or grants made under  
8 subdivision (b)(2)(A) of this section for future loans or grants to eligible  
9 applicants for affordable owner-occupied housing projects.

10 (D) The Agency may assign its rights under any loan or grant made  
11 under subdivision (b)(2)(A) of this section to the Vermont Housing and  
12 Conservation Board or any State agency or nonprofit organization qualifying  
13 under 26 U.S.C. § 501(c)(3) provided such assignee acknowledges and agrees  
14 to comply with the provisions of subdivision (b)(2) of this section.

15 (3) Down Payment Assistance Program.

16 (A) The Vermont Housing Finance Agency shall have the authority  
17 to allocate affordable housing tax credits to finance down payment assistance  
18 loans that meet the following requirements:

19 (i) the loan is made in connection with a mortgage through an  
20 Agency program;

1                   (ii) the borrower is a first-time ~~homebuyer~~ home buyer of an  
2 owner-occupied primary residence; and

3                   (iii) the borrower uses the loan for the borrower’s down payment  
4 or closing costs, or both.

5                   (B) The Agency shall require the borrower to repay the loan upon the  
6 transfer or refinance of the residence.

7                   (C) The Agency shall use the proceeds of loans made under the  
8 Program for future down payment assistance.

9                   (c) Amount of credit. A taxpayer ~~who makes an eligible cash contribution~~  
10 shall be entitled to claim against the taxpayer’s individual income, corporate,  
11 franchise, captive insurance premium, or insurance premium tax liability a  
12 credit in an amount specified on the taxpayer’s credit certificate. The first-year  
13 allocation of a credit amount to a taxpayer shall also be deemed an allocation  
14 of the same amount in each of the following four years.

15                   (d) Availability of credit. The amount of affordable housing tax credit  
16 ~~allocated with respect to a project~~ set forth on the taxpayer’s credit certificate  
17 shall be available to the taxpayer every year for five consecutive tax years,  
18 beginning with the tax year in which the eligible cash contribution is made.  
19 Total tax credits available to the taxpayer shall be the amount of the first-year  
20 allocation plus the succeeding four years’ deemed allocations.

1 (e) Claim for credit. A taxpayer claiming affordable housing tax credits  
2 shall submit with each return on which such credit is claimed ~~a copy of the~~  
3 ~~allocating agency's credit allocation to the affordable housing project and the~~  
4 taxpayer's credit certificate and with respect to credits issued under  
5 subdivision (b)(1), a copy of the allocating agency's credit allocation to the  
6 affordable housing project. Any unused affordable housing tax credit may be  
7 carried forward to reduce the taxpayer's tax liability for no more than  
8 14 succeeding tax years, following the first year the affordable housing tax  
9 credit is allowed.

10 (f) [Repealed.]

11 (g)(1) In any fiscal year, the allocating agency may award up to:

12 (A) \$400,000.00 in total first-year credit allocations to all applicants  
13 for rental housing projects, for an aggregate limit of \$2,000,000.00 over any  
14 given five-year period that credits are available under this subdivision (A);

15 \* \* \*

16 (2) ~~In any fiscal year, total first year credit allocations under subdivision~~  
17 ~~(1) of this subsection plus succeeding year deemed allocations shall not exceed~~  
18 ~~\$3,500,000.00~~ If the full amount of first-year credits authorized by an award  
19 are not allocated to a taxpayer, the Agency may reclaim the amount not  
20 allocated and re-award such allocations to other applicants, and such re-awards  
21 shall not be subject to the limits set forth in subdivision (1) of this subsection.

1 (h)(1) In fiscal year 2016 through fiscal year ~~2022~~ 2019, the allocating  
2 agency may award up to \$125,000.00 in total first-year credit allocations for  
3 loans through the Down Payment Assistance Program created in  
4 subdivision (b)(2) of this section.

5 (2) In ~~any~~ fiscal year, ~~total first-year credit allocations under~~  
6 ~~subdivision (1) of this subsection plus succeeding year deemed allocations~~  
7 ~~shall not exceed \$625,000.00~~ 2020 through fiscal year 2026, the allocating  
8 agency may award up to \$250,000.00 in total first-year credit allocations for  
9 loans through the Down Payment Assistance Program created in subdivision  
10 (b)(3) of this section.

11 \* \* \* Downtown Tax Credit Program \* \* \*

12 Sec. 18. 32 V.S.A. chapter 151, subchapter 11J is amended to read:

13 Subchapter 11J: Vermont Downtown and Village Center Tax Credit Program

14 § 5930aa. DEFINITIONS

15 As used in this subchapter:

16 (1) “Qualified applicant” means an owner or lessee of a qualified  
17 building involving a qualified project, but does not include ~~a religious entity~~  
18 ~~operating with a primarily religious purpose~~; a State or federal agency or a  
19 political subdivision of either; or an instrumentality of the United States.

20 (2) “Qualified building” means a building built ~~prior to 1983~~ at least 30  
21 years before the date of application, located within a designated downtown or

1 village center, which upon completion of the project supported by the tax  
2 credit will be an income-producing building not used solely as a single-family  
3 residence. Churches and other buildings owned by religious organization may  
4 be Qualified Buildings, but in no event shall tax credits be used for religious  
5 worship.

6 (3) “Qualified code ~~or technology~~ improvement project” means a  
7 project:

8 (A)~~(i)~~ to install or improve platform lifts suitable for transporting  
9 personal mobility devices, ~~limited-use/limited-application~~ limited-use or  
10 limited-application elevators, elevators, sprinkler systems, and capital  
11 improvements in a qualified building, and the installations or improvements  
12 are required to bring the building into compliance with the statutory  
13 requirements and rules regarding fire prevention, life safety, and electrical,  
14 plumbing, and accessibility codes as determined by the Department of Public  
15 Safety; ~~or~~

16 (ii) ~~to install or improve data or network wiring, or heating,~~  
17 ~~ventilating, or cooling systems reasonably related to data or network~~  
18 ~~installations or improvements, in a qualified building, provided that a~~  
19 ~~professional engineer licensed under 26 V.S.A. chapter 20 certifies as to the~~  
20 ~~fact and cost of the installation or improvement;~~

21 \* \* \*



1 credit of 25 percent of qualified expenditures up to a maximum tax credit of  
2 \$25,000.00.

3 (c) Code ~~or technology~~ improvement tax credit. The qualified applicant of  
4 a qualified code ~~or technology~~ improvement project shall be entitled, upon the  
5 approval of the State Board, to claim against the taxpayer's State individual  
6 income tax, State corporate income tax, or bank franchise or insurance  
7 premiums tax liability a credit of 50 percent of qualified expenditures up to a  
8 maximum tax credit of \$12,000.00 for installation or improvement of a  
9 platform lift, a maximum credit of ~~\$40,000.00~~ \$60,000.00 for the installation  
10 or improvement of a ~~limited-use/limited-application~~ limited-use or limited-  
11 application elevator, a maximum tax credit of ~~\$50,000.00~~ \$75,000.00 for  
12 installation or improvement of an elevator, a maximum tax credit of  
13 \$50,000.00 for installation or improvement of a sprinkler system, ~~a maximum~~  
14 ~~tax credit of \$30,000.00 for the combined costs of installation or improvement~~  
15 ~~of data or network wiring or a heating, ventilating, or cooling system,~~ and a  
16 maximum tax credit of \$50,000.00 for the combined costs of all other qualified  
17 code improvements.

18 § 5930dd. CLAIMS; AVAILABILITY

19 (a) A taxpayer claiming credit under this subchapter shall submit to the  
20 Department of Taxes with the first return on which a credit is claimed a copy  
21 of the State Board's tax credit allocation.

1 (b) A credit under this subchapter shall be available for the first tax year in  
2 which the qualified project is complete. In the alternative, the State Board may  
3 allocate the credit available under this subchapter and make an allocation  
4 available upon completion of any distinct phase of a qualified project. The  
5 allocation and distinct phases of the qualified project shall be identified in the  
6 application package approved by the State Board.

7 (c) If within ~~five~~ two years after the date of the credit allocation to the  
8 applicant no claim for tax credit has been filed, the tax credit allocation shall  
9 be rescinded, unless the project has an approved federal application for a  
10 phased (60 month) project pursuant to Treasury Regulation 1.48-12(b)(2)(v), in  
11 which case the credit will not be rescinded until five years from the date of the  
12 credit allocation.

13 \* \* \*

14 § 5930ee. LIMITATIONS

15 Beginning in fiscal year 2010 and thereafter, the State Board may award tax  
16 credits to all qualified applicants under this subchapter, provided that:

17 (1) the total amount of tax credits awarded annually, together with sales  
18 tax reallocated under section 9819 of this title, does not exceed ~~\$2,400,000.00~~  
19 \$2,700,000.00;

20 \* \* \*



1 therefrom whatsoever; and any monies received in payment for time-share  
2 rights at the time of purchase; provided, however, that such money received  
3 shall not be considered rent and thus not taxable if a deeded interest is granted  
4 to the purchaser for the time-share rights. The term “rent” shall include all  
5 amounts collected by booking agents except the tax required to be collected  
6 under this chapter. The term “rent” shall not include rental charges for living  
7 quarters, sleeping, or household accommodations to any student necessitated  
8 by attendance at a school as defined herein.

9 \* \* \*

10 (20) “Booking agent” means a person who facilitates the rental of an  
11 occupancy and collects rent for an occupancy and who has the right, access,  
12 ability, or authority, through an Internet transaction or any other means, to  
13 offer, reserve, book, arrange for, remarket, distribute, broker, resell, or  
14 facilitate an occupancy that is subject to the tax under this chapter.

15 Sec. 20. 32 V.S.A. § 9271 is amended to read:

16 § 9271. LICENSES REQUIRED

17 Each operator prior to commencing business shall register with the  
18 Commissioner each place of business within the State where he or she operates  
19 a hotel or sells taxable meals or alcoholic beverages; provided however, that an  
20 operator who sells taxable meals through a vending machine shall not be  
21 required to hold a license for each individual machine, and a booking agent

1 shall not be required to hold a separate license for each property the rental of  
2 which it facilitates. Upon receipt of an application in such form and containing  
3 such information as the Commissioner may require for the proper  
4 administration of this chapter, the Commissioner shall issue without charge a  
5 license for each such place in such form as he or she may determine, attesting  
6 that such registration has been made. No person shall engage in serving  
7 taxable meals or alcoholic beverages or renting hotel rooms without the license  
8 provided in this section. The license shall be nonassignable and  
9 nontransferable and shall be surrendered to the Commissioner if the business is  
10 sold or transferred or if the registrant ceases to do business at the place named.

11 \* \* \* Effective Dates \* \* \*

12 Sec. 21. EFFECTIVE DATES

13 (a) This section and Sec. 17 (down payment assistance) shall take effect on  
14 passage.

15 (b) Secs. 9–13 of this act shall take effect on July 1, 2020.

16 (c) The remaining sections of this act shall take effect on July 1, 2019.