

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20

H.510

**XX** moves that the bill be amended by striking out all after the enacting clause and inserting in lieu thereof the following:

Sec. 1. 32 V.S.A. § 5830f is added to read:

§ 5830f. VERMONT CHILD TAX CREDIT

(a) A resident individual or part-year resident individual who is entitled to a child tax credit under the laws of the United States shall be entitled to a refundable credit against the tax imposed by section 5822 of this title for the taxable year. The total credit per taxable year shall be in the amount of \$1,200.00 per qualifying child, as defined under 26 U.S.C. § 152(c), who is six years of age or younger. For a part-year resident individual, the amount of the credit shall be multiplied by the percentage that the individual’s income that is earned or received during the period of the individual’s residency in this State bears to the individual’s total income.

(b) Notwithstanding subsection (a) of this section, the amount of the credit under this section shall be reduced, but not below zero, by \$50.00 for each \$1,000.00, or fraction thereof, by which the individual’s adjusted gross income exceeds \$200,000.00, irrespective of the individual’s filing status. For purposes of this subsection, spouses filing jointly shall be considered an individual.

1       (c) The Commissioner shall determine and pay 50 percent of the credit  
2       allowed to each individual under this section on or before September 1 of the  
3       taxable year, unless the individual elects not to receive the payment. The  
4       remaining credit allowed to each individual under this section shall be  
5       determined at the time of filing a Vermont personal income tax return for the  
6       taxable year pursuant to section 5861 of this title.

7       (d) Notwithstanding any provision of law to the contrary, the refundable  
8       credit and its payment authorized under this section shall be treated in the same  
9       manner as the federal Earned Income Tax Credit and shall not be considered as  
10       assets, income, or resources to the same extent the credit and its payment  
11       would be disregarded pursuant to 26 U.S.C. § 6409 and the general welfare  
12       doctrine for purposes of determining eligibility for benefits or assistance, or the  
13       amount or extent of those benefits or assistance, under any State or local  
14       program, including programs established under 33 V.S.A. § 3512 and chapters  
15       11, 17, 21, 25, and 26, for a period of 12 months from receipt. This subsection  
16       shall only apply to the extent that it does not conflict with federal law relating  
17       to the benefit or assistance program and that any required federal approval or  
18       waiver is first obtained for that program.

19       Sec. 2. 32 V.S.A. § 5813(y) is added to read:

20       (y) The statutory purpose of the Vermont child tax credit in section 5830f  
21       of this title is to provide financial support to families with young children.

1       Sec. 3. REPORT ON MONTHLY CHILD TAX CREDIT PAYMENTS

2           On or before January 15, 2023, the Commissioner of Taxes, in consultation  
3           with the Commissioner for Children and Families, shall report to the House  
4           Committees on Human Services and on Ways and Means and the Senate  
5           Committees on Finance and on Health and Welfare recommendations and  
6           considerations for making advance monthly payments of the child tax credit  
7           under 32 V.S.A. § 5830f, including:

8           (1) options for administering advance monthly payments during the  
9           taxable year;

10          (2) structuring the advance monthly payments or requesting preliminary  
11          approvals or waivers from federal benefit and assistance programs in a manner  
12          that will exclude the advance monthly payments from income, assets, or  
13          resources used in making benefit and assistance determinations; and

14          (3) any proposed legislative action.

15       Sec. 4. EFFECTIVE DATES

16           This act shall take effect on passage except, notwithstanding 1 V.S.A.  
17           § 214, Secs. 1–2 (child tax credit) shall take effect retroactively on January 1,  
18           2022 and shall apply to taxable years beginning on and after January 1, 2022.