

1 Introduced by Committee on Ways and Means

2 Date:

3 Subject: Taxation

4 Statement of purpose of bill as introduced: This bill proposes to make

5 numerous changes to Vermont's tax laws, including current use and technical

6 tax changes.

7 An act relating to current use and technical tax changes

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

9 * * * Administrative Provisions * * *

10 Sec. 1. 7 V.S.A. § 302 is amended to read:

11 § 302. APPLICATION

12 Application for such certificate of approval shall be made upon a form

13 prescribed and furnished by the ~~liquor control board~~ Liquor Control Board,

14 containing agreements to comply with the regulations of the ~~board and to file~~

15 ~~with the commissioner of taxes, on or before the 20th day of each month, a~~

16 ~~report under oath, on a form prescribed and furnished by the commissioner of~~

17 ~~taxes, showing the quantity of malt or vinous beverages sold or delivered by~~

18 ~~such manufacturer or distributor during the preceding calendar month to each~~

19 ~~holder of such bottler's or wholesale dealer's license, Board~~ and containing

20 such further information as the ~~board~~ Board may deem necessary.

1 Sec. 2. 10 V.S.A. § 123(c) is amended to read:

2 (c) Within the limits of available resources, the Center shall operate a
3 program of standards development, data dissemination, and quality assurance,
4 and shall perform the following duties:

5 * * *

6 (12) Provide to regional planning commissions, State agencies, and the
7 general public orthophotographic imagery of the State at a scale appropriate for
8 the production and revision of town property maps. Periodically, such digital
9 imagery shall be updated to capture land use changes, new settlement patterns,
10 and such additional information as may have become available to the Director
11 or the Center.

12 (A) The Center shall supply to each town such orthophotographic
13 imagery as has been prepared by it of the total area of that town. Any image
14 shall be available, without charge, for public inspection in the office of the
15 town clerk to whom the imagery was supplied.

16 (B) At a reasonable charge to be established by the Center and the
17 Director, the Center shall supply to any person or agency other than a town
18 clerk or lister a copy of any digital format orthophotographic imagery created
19 under this section.

1 (C) Hard copy or nondigital format orthophotographic imagery
2 created under this section shall be available for public review at the State
3 Archives.

4 Sec. 3. 10 V.S.A. § 6608(c) is amended to read:

5 (c) Information obtained by the Secretary under this section shall be
6 available to the public, unless the Secretary certifies such information as being
7 proprietary. The Secretary may make such certification where any person
8 shows, to the satisfaction of the Secretary, that the information, or parts
9 thereof, would divulge methods or processes entitled to protection as trade
10 secrets. Nothing in this section shall be construed as limiting the disclosure of
11 information by the Secretary to office employees as authorized representatives
12 of the State concerned with implementing the provisions of this chapter or to
13 the Department of Taxes for purposes of enforcing the solid waste tax imposed
14 by 32 V.S.A. chapter 151, subchapter 13.

15 Sec. 4. 24 V.S.A. § 1173 is amended to read:

16 § 1173. TOWN OR VILLAGE REPORTS

17 The clerk of a municipality shall supply annually each library in such
18 municipality with two copies of the municipal report, upon its publication.

19 The clerk shall also send to the State Library two copies thereof, and one copy
20 each to the Secretary of State, ~~Commissioner of Taxes~~, State Board of Health,
21 Commissioner for Children and Families, Commissioner of Vermont Health

1 Access, Auditor of Accounts, and Board of Education. Officers making these
2 reports shall supply the clerk of the municipality with the printed copies
3 necessary for him or her to comply with the provisions of this section and
4 section 1174 of this title.

5 Sec. 5. 32 V.S.A. § 3436(a) is amended to read:

6 (a) The Director shall ~~provide an~~ certify assessment education ~~program~~
7 programs for municipal listers and assessors at convenient times and places
8 during the year and is authorized to contract with one or more persons to
9 provide part or all of the assessment instruction. ~~On an annual basis, the~~
10 ~~Director shall provide, to the extent allowed by available resources,~~ Certified
11 programs may include instruction in lister duties, property inspection, data
12 collection, valuation methods, mass appraisal techniques, ~~and~~ property tax
13 administration, or such other subjects as the Director deems beneficial to listers
14 and may be presented by Property Valuation and Review or a person pursuant
15 to a contract with Property Valuation and Review, the International
16 Association of Assessing Officials, the Vermont Assessors and Listers
17 Association, or the Vermont League of Cities and Towns.

1 (b) Any owner of eligible land who wishes to withdraw land from use
2 value appraisal shall ~~petition for a determination of the fair market value of the~~
3 ~~land at the time of the withdrawal~~ notify the Director, who shall in turn notify
4 the local assessing official. In the alternative, if the Director determines that
5 development has occurred, the Director shall notify the local assessing official
6 of his or her determination. Thereafter, land which has been withdrawn or
7 developed shall be appraised and listed at its full fair market value in
8 accordance with the provisions of chapter 121 of this title and subsection
9 3756(d) of this title, according to the appraisal model and land schedule of the
10 municipality. ~~The determination of the fair market value shall be used in~~
11 ~~calculating the amount of the land use change tax that shall be due when and if~~
12 ~~the development of the land occurs.~~

13 (c) ~~The~~ For the purposes of the land use change tax, the determination of
14 the fair market value of the land ~~as of the date the land is no longer eligible for~~
15 ~~a use value appraisal, or as of the time of the withdrawal of the land from use~~
16 ~~value appraisal,~~ shall be made by the ~~Director~~ local assessing officials in
17 accordance with the provisions of subsection (b) of this section and divided by
18 the municipality's most recent common level of appraisal as determined by the
19 Director. The determination shall be made within 30 days after the Director
20 notifies the local assessing officials of the date that the owner or assessing
21 officials petition for the determination and shall be effective on the date of

1 ~~dispatch to the owner~~ has petitioned for withdrawal from use value appraisal or
2 that the Director or local assessing official has determined that development
3 has occurred. The local assessing officials shall notify the Director and the
4 owner of their determination, and the provisions for appeal relating to property
5 tax assessments in chapter 131 of this title shall apply.

6 (d) The land use change tax shall be due and payable by the owner 30 days
7 after the tax notice is mailed to the taxpayer. The tax shall be paid to the
8 Commissioner ~~for deposit into the General Fund~~ who shall remit to the
9 municipality the lesser of one-half the tax paid or \$2,000.00, and who shall
10 deposit the remainder of the tax paid into the General Fund. The
11 Commissioner shall issue a form to the assessing officials which shall provide
12 for a description of the land developed, the amount of tax payable, and the fair
13 market value of the land at the time of development or withdrawal from use
14 value appraisal. The owner shall fill out the form and shall sign it under the
15 penalty of perjury. After receipt of payment, the Commissioner shall furnish
16 the owner with one copy, shall retain one copy, and shall forward one copy to
17 the local assessing officials ~~and~~, one copy to the register of deeds of the
18 municipality in which the land is located, and one copy to the Secretary of
19 Agriculture, Food and Markets if the land is agricultural land and in all other
20 cases to the Commissioner of Forests, Parks and Recreation. ~~Thereafter, the~~

1 ~~land which has been developed shall be appraised and listed at its full fair~~
2 ~~market value in accordance with the provisions of chapter 121 of this title.~~

3 (e) The owner of any classified land receiving use value appraisal under
4 this subchapter shall immediately notify the ~~director~~ Director, who in turn shall
5 notify the local assessing officials, the Secretary of Agriculture, Food and
6 Markets if the land is agricultural land, and in all other cases the Commissioner
7 of Forests, Parks and Recreation of:

8 * * *

9 (f) ~~The~~ When the application for use value appraisal of agricultural and
10 forestland, ~~once~~ has been approved by the State, the State shall ~~be recorded~~
11 record a lien against the enrolled land in the land records of the municipality
12 ~~and~~ which shall constitute a lien to secure payment of the land use change tax
13 to the State upon development. The landowner shall bear the recording cost.
14 The land use change tax and any obligation to repay benefits paid in error
15 shall not constitute a personal debt of the person liable to pay the same, but
16 shall constitute a lien which shall run with the land. All of the administrative
17 provisions of chapter 151 of this title, including those relating to collection
18 and enforcement, shall apply to the land use change tax.

19 Sec. 6a. 32 V.S.A. § 3757(d) is amended to read:

20 (d) The land use change tax shall be due and payable by the owner 30 days
21 after the tax notice is mailed to the taxpayer. The tax shall be paid to the

1 Commissioner who shall remit to the municipality the lesser of one-half the tax
2 paid or \$2,000.00, ~~and who shall deposit the remainder of the tax paid into the~~
3 ~~General Fund.~~ The Director shall deposit three-quarters of the remainder of
4 the tax paid in the Education Fund, and one-quarter of the remainder of the tax
5 paid in the General Fund. The Commissioner shall issue a form to the
6 assessing officials which shall provide for a description of the land developed,
7 the amount of tax payable, and the fair market value of the land at the time of
8 development or withdrawal from use value appraisal. The owner shall fill out
9 the form and shall sign it under the penalty of perjury. After receipt of
10 payment, the Commissioner shall furnish the owner with one copy, shall retain
11 one copy, and shall forward one copy to the local assessing officials, one copy
12 to the register of deeds of the municipality in which the land is located, and
13 one copy to the Secretary of Agriculture, Food and Markets if the land is
14 agricultural land and in all other cases to the Commissioner of Forests, Parks
15 and Recreation.

16 Sec. 7. 32 V.S.A. § 3756(d) is amended to read:

17 (d) The assessing officials shall appraise qualifying agricultural and
18 managed forestland and farm buildings at use value appraisal as defined in
19 subdivision 3752(12) of this title. If the land to be appraised is a portion of a
20 parcel, ~~the assessing officials shall:~~

1 ~~(1) determine the contributory value of each portion such that the fair~~
2 ~~market value of the total parcel is comparable with other similar parcels in the~~
3 ~~municipality; and~~

4 ~~(2) notify the landowner according to the procedures for notification of~~
5 ~~change of appraisal. The portion of the parcel that is not to be appraised at use~~
6 ~~value shall be appraised at its fair market value any portion not receiving a use~~
7 ~~value appraisal shall be valued at its fair market value as a stand-alone parcel,~~
8 ~~and, for the purposes of the payment under section 3760 of this chapter, the~~
9 ~~entire parcel shall be valued at its fair market value as other similar parcels in~~
10 ~~the municipality.~~

11 Sec. 8. 32 V.S.A. § 3752(12) is amended to read:

12 (12) “Use value appraisal” means, with respect to land, the price per
13 acre which the land would command if it were required to remain henceforth in
14 agriculture or forest use, as determined in accordance with the terms and
15 provisions of this subchapter. With respect to farm buildings, “use value
16 appraisal” means zero percent of fair market value. ~~The Director shall~~
17 ~~annually provide the assessing officials with a list of farm sales, including the~~
18 ~~town in which the farm is located, the acreage, sales price, and date of sale.~~

19 Sec. 9. 32V.S.A. § 3756(i) is amended to read:

20 (i) ~~The~~ After providing 30 days’ notice to the owner, the Director shall
21 remove from use value appraisal an entire parcel of managed ~~forest land~~

1 forestland and notify the owner in accordance with the procedure in subsection
2 (b) of this section when the Department of Forests, Parks and Recreation has
3 not received a required management activity report or has received an adverse
4 inspection report, unless the lack of conformance consists solely of the failure
5 to make prescribed planned cutting. In that case, the Director may delay
6 removal from use value appraisal for a period of one year at a time to allow
7 time to bring the parcel into conformance with the plan.

8 Sec. 10. USE VALUE APPRAISAL “EASY-OUT”

9 (a) Notwithstanding any other provision of law, an owner of property
10 enrolled in use value appraisal under 32 V.S.A. chapter 124 as of the passage
11 of this act who elects to discontinue enrollment of the entire parcel may be
12 relieved of the first \$50,000.00 of land use change tax imposed pursuant to
13 32 V.S.A. § 3757; provided that if the property owner does elect to discontinue
14 enrollment and be relieved of the first \$50,000.00 of land use change tax, the
15 owner shall pay the full property tax, based upon the property’s full fair market
16 value, for the 2015 assessment, and no State reimbursement shall be paid for
17 that land. No property owner shall be relieved of more than \$50,000.00 in land
18 use change tax under this provision.

19 (b) An election to discontinue enrollment under this provision is effective
20 only if made in writing to the Director of Property Valuation and Review
21 between July 1, 2015 and October 1, 2015; and an owner who elects to

1 discontinue enrollment under this section or any successor owner may not
2 reenroll the entire withdrawn parcel, or any portion less than the entire
3 withdrawn parcel, in the succeeding five years.

4 (c) If the property owner withdraws less than the entire parcel, the
5 provisions of this section do not apply. Property composed of less than an
6 entire parcel that is withdrawn from use value appraisal shall be subject to the
7 land use change tax under the provisions of 32 V.S.A. § 3757 in effect at the
8 time of withdrawal.

9 (d) The “easy-out” provided for in this section shall not be available for
10 any land that has been developed, as that term is defined in 32 V.S.A.
11 § 3752(5), prior to July 1, 2015.

12 Sec. 11. MUNICIPAL REIMBURSEMENT PAYMENTS

13 (a) There is created a Use Value Appraisal Municipal Reimbursement
14 Study Committee to examine the existing formula for municipal
15 reimbursement payments (“hold harmless payments”) to determine if the
16 payments are equitable and appropriate in light of the reallocation of land use
17 change tax payments under this act and, if not, to propose an alternative
18 formula. The Committee shall issue a report on or before January 15, 2016,
19 and the report shall be submitted to the House Committees on Agriculture and
20 Forest Products and on Ways and Means and to the Senate Committees on
21 Agriculture and on Finance. The members of the Study Committee shall be:

1 (1) the Director of Property Valuation and Review, who shall serve as
2 the Chair of the Committee and shall call the first meeting of the Committee on
3 or before September 1, 2015;

4 (2) the Secretary of Agriculture, Food and Markets or designee;

5 (3) the Commissioner of Forests, Parks and Recreation or designee;

6 (4) the Executive Director of the Vermont Assessors and Listers
7 Association or designee;

8 (5) two representatives of the Vermont League of Cities and Towns, one
9 from a rural community and one from an urban community, appointed by its
10 Board of Directors;

11 (6) a member of the House appointed by the Speaker of the House;

12 (7) a member of the Senate appointed by the Committee on
13 Committees; and

14 (8) a member of the public appointed by the Governor who shall be a
15 land owner with land subject to use value appraisal.

16 (b) Members of the Committee who are not employees of the State of
17 Vermont shall be entitled to compensation as provided in 32 V.S.A. § 1010.
18 Legislative members of the Committee shall be entitled to the same per diem
19 compensation and reimbursement for necessary expenses for attendance at a
20 meeting when the General Assembly is not in session as provided to members
21 of standing committees under 2 V.S.A. § 406.

1 Sec. 12. ASSESSMENT OF PROPERTY

2 On or before April 15, 2016, the Director of Property Valuation and Review
3 shall publish guidance for the local assessing officials concerning:

4 (1) how to assess land permanently encumbered by a conservation
5 easement;

6 (2) how to assess land subject to a use value appraisal; and

7 (3) how to apply the methodologies in subdivisions (1) and (2) of this
8 section in a consistent manner across the State.

9 * * * Statewide Education Tax * * *

10 Sec. 13. 32 V.S.A. § 5401(7)(A) is amended to read:

11 (7) “Homestead”:

12 (A) “Homestead” means the principal dwelling and parcel of land
13 surrounding the dwelling, owned and occupied by a resident individual on
14 April 1 ~~and occupied~~ as the individual’s domicile ~~for a minimum of~~ or owned
15 and fully leased on April 1, provided the property is not leased for more than
16 183 days out of the calendar year, or for purposes of the renter property tax
17 adjustment under subsection 6066(b) of this title, rented and occupied by a
18 resident individual as the individual’s domicile.

19 Sec. 14. 32 V.S.A. § 5404a(a)(6) is amended to read:

20 (6) An exemption of a portion of the value of a qualified rental unit
21 parcel. An owner of a qualified rental unit parcel shall be entitled to an

1 exemption on the education property tax grand list of 10 percent of the grand
2 list value of the parcel, multiplied by the ratio of square footage of
3 improvements used for or related to residential rental purposes to total square
4 footage of all improvements, multiplied by the ratio of qualified rental units to
5 total residential rental units on the parcel. “Qualified rental units” means
6 residential rental units which are subject to rent restriction under provisions of
7 state or federal law, but excluding units subject to rent restrictions under only
8 one of the following programs: Section 8 moderate rehabilitation, Section 8
9 housing choice vouchers, or Section 236 or Section 515 rural development
10 rental housing. A municipality shall allow the percentage exemption under
11 this subsection upon presentation by the taxpayer to the municipality, by
12 April 1, of a certificate of education grand list value exemption, obtained from
13 the Vermont Housing Finance Agency (VHFA). VHFA shall issue a certificate
14 of exemption upon presentation by the taxpayer of information which VHFA
15 and the Commissioner shall require. An exemption granted by a municipality
16 under this subsection shall expire upon transfer of the building, upon
17 expiration of the rent restriction, or after ~~40~~ 20 years, whichever first occurs.

18 * * * Tax Increment Financing Districts * * *

19 Sec. 15. 24 V.S.A. § 1901(3) is amended to read:

20 (3) Annually:

1 (A) ensure that the tax increment financing district account required
2 by section 1896 of this subchapter is subject to the annual audit prescribed in
3 ~~section~~ sections 1681 and 1690 of this title. Procedures must include
4 verification of the original taxable value and annual and total municipal and
5 education tax increments generated, expenditures for debt and related costs,
6 and current balance;

7 (B) on or before ~~January 15~~ February 15 of each year, on a form
8 prescribed by the Council, submit an annual report to the Vermont Economic
9 Progress Council and the Department of Taxes, including the information
10 required by subdivision (2) of this section if not already submitted during the
11 year, all information required by subdivision (A) of this subdivision (3), and
12 the information required by 32 V.S.A. § 5404a(i), including performance
13 indicators and any other information required by the Council or the
14 Department of Taxes.

15 Sec. 16. 24 V.S.A. § 1896(c) is amended to read:

16 (c) Notwithstanding any charter provision or other provision, all property
17 taxes assessed within a district shall be subject to the provision of subsection
18 (a) of this section. Special assessments levied under chapter 87 of this title, the
19 proceeds of which are dedicated to a specific bond or pledge for the repayment
20 of a specific borrowing and are apportioned based on any method other than

1 the grand list value of the affected properties, shall not be considered property
2 taxes for the purpose of this section.

3 * * * Income Tax * * *

4 Sec. 17. 32 V.S.A. § 5824 is amended to read:

5 § 5824. ADOPTION OF FEDERAL INCOME TAX LAWS

6 The statutes of the United States relating to the federal income tax, as in
7 effect for taxable year ~~2013~~ 2014, but without regard to federal income tax
8 rates under 26 U.S.C. § 1, are hereby adopted for the purpose of computing the
9 tax liability under this chapter.

10 Sec. 18. 32 V.S.A. § 5842(a)(2) is amended to read:

11 (2) In semiweekly payments, if the person ~~can reasonably expect the~~
12 ~~amount to be deducted and withheld during that quarter will exceed \$9,000.00~~
13 is required to make semiweekly payments of federal withholding pursuant to
14 the Internal Revenue Code. Semiweekly shall mean payment of tax withheld
15 for pay dates on Wednesday, Thursday, or Friday is due by the following
16 Wednesday, and tax withheld for pay dates on Saturday, Sunday, Monday, or
17 Tuesday is due by the following Friday.

18 Sec. 19. 32 V.S.A. § 5852(a) is amended to read:

19 (a) Every individual, estate and trust subject to taxation under section 5822
20 of this title; (other than a person receiving at least two-thirds of his or her
21 income from farming or fishing as defined under the laws of the United States)

1 shall make installment payments of the taxpayer’s estimated tax liability for
2 each taxable year. The amount of each payment shall be 25 percent of the
3 required annual payment. For any taxable year, payments shall be made on or
4 before April 15, June 15, and September 15 of the taxable year and January 15
5 of the following taxable year. In applying this section to a taxable year
6 beginning on any date other than January 1, there shall be substituted, for the
7 months specified in this section, the months which correspond thereto.

8 * * * Downtown Tax Credits * * *

9 Sec. 20. 32 V.S.A. § 5930aa(3) is amended to read:

10 (3) “Qualified code or technology improvement project” means a
11 project:

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

19 * * *

1 Sec. 21. 32 V.S.A. § 5930cc(c) is amended to read:

2 (c) Code or technology improvement tax credit. The qualified applicant of
3 a qualified code or technology improvement project shall be entitled, upon the
4 approval of the State Board, to claim against the taxpayer's State individual
5 income tax, State corporate income tax, or bank franchise or insurance
6 premiums tax liability a credit of 50 percent of qualified expenditures up to a
7 maximum tax credit of \$12,000.00 for installation or improvement of a
8 platform lift, a maximum credit of \$40,000.00 for the installation or
9 improvement of a limited use limited application elevator, a maximum tax
10 credit of \$50,000.00 for installation or improvement of an elevator, a
11 maximum tax credit of \$50,000.00 for installation or improvement of a
12 sprinkler system, a maximum tax credit of \$30,000.00 for the combined costs
13 of installation or improvement of data or network wiring or a heating,
14 ventilating, or cooling system, and a maximum tax credit of ~~\$25,000.00~~
15 \$50,000.00 for the combined costs of all other qualified code improvements.

16 * * * Cigarette and Tobacco Taxes * * *

17 Sec. 22. 32 V.S.A. § 7734 is amended to read:

18 § 7734. PENALTIES FOR SALES WITHOUT LICENSE

19 Any licensed wholesale dealer who shall sell, offer for sale, or possess with
20 intent to sell any cigarettes, roll-your-own tobacco, little cigars, snuff, new
21 smokeless tobacco, or other tobacco products, or both any combination thereof,

1 without having first obtained a license as provided in this subchapter shall be
2 fined not more than \$25.00 for the first offense and not more than \$200.00 nor
3 less than \$25.00 for each subsequent offense.

4 Sec. 23. 32 V.S.A. § 7771(b) is amended to read:

5 (b) Payment of the tax on cigarettes under this section shall be evidenced
6 by the affixing of stamps to the packages containing the cigarettes. Where
7 practicable, the Commissioner may also require that stamps be affixed to
8 packages containing little cigars or roll-your-own tobacco. Any cigarette, little
9 cigar, or roll-your-own tobacco on which the tax imposed by this section has
10 been paid, such payment being evidenced by the affixing of such stamp or such
11 evidence as the Commissioner may require, shall not be subject to a further tax
12 under this chapter. Nothing contained in this chapter shall be construed to
13 impose a tax on any transaction the taxation of which by this State is
14 prohibited by the constitution of the United States. The amount of taxes
15 advanced and paid by a licensed wholesale dealer ~~or a retail dealer~~ as herein
16 provided shall be added to and collected as part of the retail sale price on the
17 cigarettes, little cigars, or roll-your-own tobacco.

18 Sec. 24. 32 V.S.A. § 7772 is amended to read:

19 § 7772. FORM AND SALE OF STAMPS

20 (a) The Commissioner shall secure stamps of such designs and
21 denominations as he or she shall prescribe to be affixed to packages of

1 cigarettes as evidence of the payment to the tax imposed by this chapter. The
2 Commissioner shall sell such stamps to licensed wholesale dealers ~~and retail~~
3 ~~dealers~~ at a discount of two and three-tenths percent of their face value for
4 payment at time of sale.

5 (b) At the purchaser's request, the Commissioner may sell stamps to be
6 affixed to packages of cigarettes as evidence of the payment to the tax imposed
7 by this chapter to licensed wholesale dealers ~~and retail dealers~~ for payment
8 within 10 days, at a discount of one and five-tenths percent of their face value
9 if timely paid. In determining whether to sell stamps for payment within
10 10 days, the Commissioner shall consider the credit history of the dealer; and
11 the filing and payment history, with respect to any tax administered by the
12 Commissioner, of the dealer or any individual, corporation, partnership, or
13 other legal entity with which the dealer is or was associated as principal,
14 partner, officer, director, employee, agent, or incorporator.

15 (c) The Commissioner shall keep accurate records of all stamps sold to
16 each wholesale dealer ~~and retail dealer~~, and shall pay over all receipts from the
17 sale of stamps to the ~~state treasurer~~ State Treasurer.

18 Sec. 25. 32 V.S.A. § 7773 is amended to read:

19 § 7773. USE AND REDEMPTION OF STAMPS

20 No licensed wholesale dealer ~~or retail dealer~~ shall sell or transfer any
21 stamps issued under the provisions of this chapter. The Commissioner shall

1 redeem at the amount paid therefor by the licensed wholesale or retail dealer
2 any unused stamps issued under the provisions of this chapter, which are
3 presented to him or her at his or her office in Montpelier.

4 Sec. 26. 32 V.S.A. § 7775 is amended to read:

5 § 7775. ~~RETAILERS~~ RETAIL DEALERS

6 Within 24 hours after coming into possession of any cigarettes not bearing
7 proper stamps evidencing payment of the tax imposed by this chapter and
8 before selling the same, each retail dealer shall affix or cause to be affixed
9 stamps of the proper denomination to each individual package of cigarettes as
10 required by section 7771 of this title and in such manner as the Commissioner
11 may specify in regulations issued pursuant to this chapter.

12 Sec. 27. 32 V.S.A. § 7777 is amended to read:

13 § 7777. RECORDS REQUIRED; INSPECTION AND EXAMINATION;

14 ASSESSMENT OF TAX DEFICIENCY

15 * * *

16 (d) If a licensed wholesale dealer ~~or retail dealer~~ has failed to timely pay
17 for stamps obtained for payment within 10 days or to pay the tax imposed on
18 roll-your-own tobacco, the dealer shall be subject to assessment, collection,
19 and enforcement in the same manner as provided under subchapter 4 of this
20 chapter.

21 * * *

1 Sec. 28. 32 V.S.A. § 7812 is amended to read:

2 § 7812. LIABILITY FOR COLLECTION OF TAX

3 The ~~distributor~~ licensed wholesale dealer shall be liable for the payment of
4 the tax on tobacco products which he or she imports or causes to be imported
5 into the State, or which he or she manufactures in this State, and every
6 ~~distributor~~ licensed wholesale dealer authorized by the Commissioner to make
7 returns and pay the tax on tobacco products sold, shipped, or delivered by him
8 or her to any person in the State, shall be liable for the collection and payment
9 of the tax on all tobacco products sold, shipped or delivered. Every retail
10 dealer shall be liable for the collection of the tax on all tobacco products in his
11 or her possession at any time, upon which the tax has not been paid by a
12 ~~distributor~~ licensed wholesale dealer and the failure of any retail dealer to
13 produce and exhibit to the Commissioner or his or her authorized
14 representative, upon demand, an invoice by a ~~distributor~~ licensed wholesale
15 dealer for any tobacco products in his or her possession, shall be presumptive
16 evidence that the tax thereon has not been paid and that such retail dealer is
17 liable for the collection of the tax thereon. The amount of taxes advanced and
18 paid by a ~~distributor~~ licensed wholesale dealer or retail dealer as hereinabove
19 provided shall be added and collected as part of the sales price of the tobacco
20 products.

1 Sec. 29. 32 V.S.A. § 7813 is amended to read:

2 § 7813. RETURNS AND PAYMENT OF TAX BY ~~DISTRIBUTOR~~

3 LICENSED WHOLESALE DEALER

4 Every ~~distributor~~ licensed wholesale dealer shall, on or before the 15th day
5 of each month, file with the Commissioner a return on forms to be prescribed
6 and furnished by the Commissioner, showing the quantity and wholesale price
7 of all tobacco products sold, shipped or delivered by him or her to any person
8 in the State during the preceding calendar month. Such returns shall contain
9 such further information as the Commissioner of Taxes may require. Every
10 ~~distributor~~ licensed wholesale dealer shall pay to the Commissioner with the
11 filing of such return, the tax on tobacco products for such month imposed
12 under this subchapter. When the ~~distributor~~ licensed wholesale dealer files
13 the return and pays the tax within the time specified in this section, he or she
14 may deduct therefrom two percent of the tax due.

15 Sec. 30. 32 V.S.A. § 7819 is amended to read:

16 § 7819. REFUNDS

17 Whenever any tobacco products upon which the tax has been paid have
18 been sold and shipped into another state for sale or use there, or have become
19 unfit for use and consumption or unsalable or have been destroyed, the
20 licensed wholesale dealer shall be entitled to a refund of the actual amount of
21 tax paid with respect thereto. If the Commissioner is satisfied that any licensed

1 wholesale dealer is entitled to a refund, he or she shall so certify to the
2 Commissioner of Finance and Management who shall issue his or her warrant
3 in favor of the licensed wholesale dealer entitled to receive such refund.

4 Sec. 31. 32 V.S.A. § 7821 is amended to read:

5 § 7821. CRIMINAL PENALTIES

6 Any ~~distributor or dealer~~ person who shall fail, neglect, or refuse to comply
7 with or shall violate the provisions of this chapter relating to the tax on tobacco
8 products or the rules and regulations ~~promulgated~~ adopted by the
9 Commissioner under this chapter relating to such tax shall be guilty of a
10 misdemeanor and upon conviction for a first offense shall be sentenced to pay
11 a fine of not more than \$250.00 or to be imprisoned for not more than 60 days,
12 or both such fine and imprisonment in the discretion of the Court; and for a
13 second or subsequent offense shall be sentenced to pay a fine of not less than
14 \$250.00 nor more than \$500.00, or be imprisoned for not more than six
15 months, or both such fine and imprisonment in the discretion of the Court.

16 This section shall not apply to violations of sections 7731–7734 and 7776 of
17 this title.

18 Sec. 32. 33 V.S.A. § 1916 is amended to read:

19 §1916. DEFINITIONS

20 As used in this subchapter:

21 * * *

1 product manufacturer for any money paid by the ~~stamping agent~~ licensed
2 wholesale dealer to the tobacco product manufacturer for any cigarettes of that
3 tobacco product manufacturer still in the possession of the ~~stamping agent~~
4 licensed wholesale dealer on the date of the Attorney General's removal from
5 the directory of that tobacco product manufacturer or the individual styles or
6 brands of cigarettes of that tobacco product manufacturer. Also, unless
7 otherwise provided by agreement between a retail dealer and a ~~distributor~~
8 licensed wholesale dealer or a tobacco product manufacturer, a retail dealer
9 shall be entitled to a refund from either a ~~distributor~~ licensed wholesale dealer
10 or a tobacco product manufacturer for any money paid by the retail dealer to
11 the ~~distributor~~ licensed wholesale dealer or tobacco product manufacturer for
12 any cigarettes of that ~~distributor~~ licensed wholesale dealer or tobacco product
13 manufacturer still in the possession of the retail dealer on the date of the
14 Attorney General's removal from the directory of that tobacco product
15 manufacturer or the individual styles or brands of cigarettes of that tobacco
16 product manufacturer. The Attorney General shall not restore to the directory
17 a tobacco product manufacturer or any individual styles or brands or cigarettes
18 or, if applicable, brand families of that tobacco product manufacturer until the
19 tobacco product manufacturer has paid all ~~stamping agents~~ licensed wholesale
20 dealers any refund due pursuant to this section.

1 (d) The Commissioner shall refund to a ~~retailer dealer or stamping agent~~
2 licensed wholesale dealer any tax paid under 32 V.S.A. chapter 205 on
3 products no longer saleable in the State under this subchapter.

4 Sec. 35. 33 V.S.A. § 1921 is amended to read:

5 § 1921. REPORTING AND SHARING OF INFORMATION

6 (a) At the date specified in 32 V.S.A. § 7785 or 7813, for monthly reports
7 from licensed wholesale dealers ~~or distributors~~, or at such date and frequency
8 as the Commissioner may require for other ~~stamping agents~~ licensed wholesale
9 dealers, which will be at least quarterly, each ~~stamping agent~~ licensed
10 wholesale dealer shall submit such information as the Commissioner requires
11 to facilitate compliance with subchapter 1A of this chapter and this subchapter,
12 including a list by brand family of the total number of cigarettes, or, in the case
13 of roll-your-own tobacco, the equivalent stick count, as determined pursuant to
14 the formula set forth in subchapter 1A of this chapter, for which the ~~stamping~~
15 ~~agent~~ licensed wholesale dealer affixed stamps during the reporting period or
16 otherwise paid the tax due for such cigarettes. ~~Stamping agents~~ Licensed
17 wholesale dealers shall maintain, and make available to the Commissioner, all
18 documentation and other information relied upon in reporting to the
19 Commissioner for a period of six years.

20 * * *

1 (c) The Attorney General may require a ~~stamping agent~~ licensed wholesale
2 dealer or tobacco product manufacturer to submit any additional information,
3 including samples of the packaging or labeling of each brand family, as is
4 necessary to enable the Attorney General to determine whether a tobacco
5 product manufacturer is in compliance with this subchapter and subchapter 1A
6 of this chapter.

7 * * *

8 * * * Corporation Taxes * * *

9 Sec. 36. 32 V.S.A. § 8146 is amended to read:

10 § 8146. ADDITIONAL TAX; REFUNDS

11 When the Commissioner finds that owing to the incorrectness of a return or
12 any other cause, a tax paid pursuant to this chapter is too small, he or she shall
13 assess an additional tax sufficient to cover the deficit and shall forthwith notify
14 the parties so assessed. ~~If the additional assessment is not paid within 30 days~~
15 ~~after such notice, the person or corporation against whom it is assessed shall be~~
16 ~~liable to the same penalties as for neglect to pay annual or semiannual taxes.~~
17 The administrative provisions of chapter 103 and 151 shall apply to
18 assessments and refund claims under this chapter, including those provisions
19 governing interest and penalty, appeals, and collection of assessments.

1 (1) Secs. 6 (land use change tax) and 7 (value of portions of a parcel)
2 shall take effect on October 2, 2015.

3 (2) Sec. 6a (deposit of funds) shall take effect on July 1, 2016 and apply
4 to fiscal year 2017 and forward.

5 (3) Sec. 10 (current use easy out) shall take effect on July 1, 2015.

6 (4) Sec. 14 (qualified housing exemption) shall take effect retroactively
7 on January 1, 2014; provided however, that the 20-year period created by this
8 section shall begin on January 1, 2004.

9 (5) Sec. 17 (annual income tax update) shall take effect retroactively to
10 January 1, 2015 and apply to taxable years beginning on and after January 1,
11 2014.

12 (6) Sec. 19 (obligation of estates and trusts to make estimated payments)
13 shall take effect on passage and apply to taxable years beginning on and after
14 January 1, 2016.