

SECTION BY SECTION SUMMARY
Miscellaneous Tax Bill as Proposed by the Administration
Prepared by Legislative Council - 1/21/20

Sec.	Tax Type	Notes
Education Property Tax		
	32 V.S.A. § 4261 Allows towns to make corrections to grand list on the day of Dec. 31 st .	
	32 V.S.A. § 4342 <ul style="list-style-type: none"> • Allows towns to request extension for filing grand list with the State without having to record extension with town clerk. • Requests for extensions will be made to Commissioner of Taxes instead of Director of PVR 	
	32 V.S.A. § 5402(b) Requires towns to start annual billing on or after August 1 (not before) and to require payments on or after September 1.	
	32 V.S.A. § 5402(b)(1) Commissioner will determine format of education property tax bills, eff. Jan. 1, 2022.	
	32 V.S.A. § 5405(f) Requires towns to segregate funds paid to towns from equalization and reappraisal account (within education fund) for preparing grand list.	
	32 V.S.A. § 3752(10) Amends definition of “owner” for current use to align with general rule for property taxation, so that being the owner of record is not necessary.	
	32 V.S.A. § 6061(5) Amends income sensitivity property tax credit definition of modified AGI to exclude contributions to Simplified Employee Pension plans made in the taxable year.	
	32 V.S.A. § 4465 Increase property tax hearing officer per diem from \$120/day to \$150/day	
	Conforming revisions throughout the Vermont Statutes Annotated to replace all references to Director of Property Valuation and Review with Commissioner of Taxes	

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Property Transfer Tax		
	<p>32 V.S.A. § 9605(a) Property Transfer Tax payments are due within 30 days of transferring title to real property (by deed) or of transferring or acquiring controlling interests in a person with title to property for which a deed is not given (same as controlling interests return filing deadline).</p>	
Sales and Use Tax		
	<p>32 V.S.A. § 5870 Decreases use tax safe harbor amounts due following 2018 and 2019 remote seller collection requirements (<i>Wayfair</i> and Act 46 of 2019 marketplace facilitators).</p>	
	<p>32 V.S.A. § 9701(9) Amends time period for determining whether sales made into Vermont require a remote seller or marketplace facilitator to collect and remit Vermont sales tax.</p>	
	<p>32 V.S.A. § 9712 Repeals noncollecting vendor reporting requirement to the Dept. of Taxes. Does not remove requirement to report to purchasers.</p>	
Meals and Rooms Tax		
	<p>32 V.S.A. § 9248 Repeals short-term rental platform informational reporting to the Dept. of Taxes.</p>	
Income Tax		
	<p>32 V.S.A. §§ 5824, 7402(8) Annual Link to Federal Statutes for tax year 2019.</p>	
	<p>32 V.S.A. § 5884(a) Extends statute of limitations for refunds of taxes paid during appeals (to prevent interest and penalties from accruing), or when refunds are used to offset other liabilities, when assessment is subsequently reversed.</p>	

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Administrative Provisions		
	32 V.S.A. § 3102(e) Beverage container deposit redemption returns and payments made to the Dept. of Taxes will be able to be shared with ANR, as currently treated as confidential tax information.	
	32 V.S.A. § 3202(b)(5) Penalties for fraudulent failure to file when refund requested, even if unsuccessful attempt to receive a refund.	
	24 V.S.A. § 138(c) Reduces per return fee for administration of local option taxes from \$5.96 to \$4.00.	
Effective Dates		
	Default effective date is upon passage.	
	Property tax bill format change takes effect on January 1, 2022.	
	32 V.S.A. § 6061(5) (household income excludes SEP contributions) and 32 V.S.A. § 5870 (use tax reporting) take effect retroactively on January 1, 2020.	
	Annual link-up to federal statutes takes effect retroactively on January 1, 2020 and applies to taxable years beginning on and after January 1, 2019.	
SECTIONS REMOVED (already included or to be included in H.788, Technical Corrections Bill)		
	32 V.S.A. § 9271 Meals and rooms tax booking agent change, amending “which” to “that.” H.788, Sec. 61.	
	32 V.S.A. § 9202 Meals and rooms tax, exclusions from definition of taxable meal; amends reference to repealed federal statute.	
	Amends Act 51 of 2019 market-based sourcing effective date to clarify that it applied to tax years starting on or after January 1, 2020. H.788, Sec. 65.	