

## SIDE BY SIDE SUMMARY

### Remaining Issues

**H.184 Executive Fees As Passed the House**  
**H.272 Current Use and Technical Tax Changes As Passed the House**  
**H.489 Revenue As Passed the House**  
 With  
**H.489 Revenue As Passed the Senate**  
 Prepared by Legislative Council, 5/5/15

Key to House bills:

Section + F = H.184 As Passed the House

Section + T = H.272 As Passed the House

Section + R = H.489 As Passed the House

House Section		Senate Section	
	<b>FEE PROVISIONS</b>		<b>FEE PROVISIONS</b>
	<b>Agency of Education</b>		<b>Agency of Education</b>
7F	Speech and Language Pathologists Application processing fee <ul style="list-style-type: none"> <li>• \$35.00 → \$50.00</li> </ul> Initial license fee for term of license <ul style="list-style-type: none"> <li>• \$35.00 → \$50.00</li> </ul> Issuance of licenses per term of renewal <ul style="list-style-type: none"> <li>• \$35.00 → \$50.00</li> </ul>	7	Same as House bill.
	Not in House bill.	7a	Clarifying language to ensure that if OPR takes over administration of SLP, Sec. 7 will not go into effect.
	<b>Department of Health</b>		<b>Department of Health</b>
9F	Restaurants, lodging, food processors, and seafood vending facilities Restaurants: <ul style="list-style-type: none"> <li>• I - \$85.00 → \$110.00</li> <li>• II - \$145.00 → \$200.00</li> <li>• III - \$245.00 → \$300.00</li> <li>• IV - \$305.00 → \$500.00</li> <li>• V - \$390.00 → \$600.00</li> <li>• Home Caterer - \$95.00 → \$150.00</li> <li>• Commercial Caterer - \$200.00 → \$225.00</li> </ul>	9	Food and lodging establishments. <ul style="list-style-type: none"> <li>• \$59.00 increase from current amount for all food</li> <li>• \$121.00 increase from current amount for all lodging</li> </ul> Seafood vending was reduced by \$50.00 from house version. <ul style="list-style-type: none"> <li>• \$175.00</li> </ul>

	<ul style="list-style-type: none"> <li>Limited Operations - \$95.00 → \$125.00</li> <li>Fair Stand - \$70.00 → \$125.00, more than 4 days per year \$160.00 → \$250.00</li> </ul> Lodging <ul style="list-style-type: none"> <li>I - \$80.00 → \$135.00</li> <li>II - \$135.00 → \$230.00</li> <li>III - \$200.00 → \$340.00</li> <li>IV - \$340.00 → \$530.00</li> </ul> Food Processor <ul style="list-style-type: none"> <li>Gross receipts \$10,001.00 to 50k - \$115.00 → \$175.00</li> <li>Over \$50k - \$155.00 → \$275.00</li> </ul> Seafood Vending - \$125.00 → \$225.00 Shellfish reshippers/repackers - \$285.00 → \$375.00		
10F	Bakery Fees <ul style="list-style-type: none"> <li>Home Bakery - \$55.00 → \$100.00</li> <li>Small Commercial - \$125.00 → \$200.00</li> <li>Large Commercial - \$250.00 → \$350.00</li> <li>Camps - \$90.00 → \$150.00</li> </ul>	10	Fee for small and large commercial bakeries was decreased by \$25.00. <ul style="list-style-type: none"> <li>Small - \$175.00</li> <li>Large - \$325.00</li> </ul>
11F	Requires Commissioner of Health to submit a report with recommendations for combination licenses for food and lodging by January 15, 2016.	11	A combination license fee shall be included in FY 2017 Fee Bill.
	<b>Agency of Natural Resources/Natural Resources Board</b>		<b>Agency of Natural Resource/Natural Resources Board</b>
17F	New fees for compensating the state’s review of 248 applications/certificate of public good. <ul style="list-style-type: none"> <li>\$2.50 for each \$1,000.00 of construction costs – fee cannot exceed \$150,000</li> </ul> Fee will be deposited into Natural Resources Management Fund.  Does not require a fee for applications for net metering system with capacity = or less than 150 kw or State/political subdivision owned.	17	Tiered fee structure based on plant capacity: <ul style="list-style-type: none"> <li>139kW and under – No Fee</li> <li>140kW – 450 kW, \$3.00/kW</li> <li>451 kW–2.2 MW, \$4.00/kW</li> <li>2.201 MW – 5 MW, \$5.00/kW</li> </ul> New Electric generator facility greater than 5MW and a new electric transmission facility or new nat. gas facility not eligible under 248(j)(Issuance of cert. of public good w/out notice or hearing). <ul style="list-style-type: none"> <li>\$2.50 for each \$1,000.00 of construction costs – fee cannot exceed \$100,000.00</li> </ul> \$2,500 for an application under subsection 248(j)  Telecommunication facilities. <ul style="list-style-type: none"> <li>\$2.50 for each \$1,00.00 of construction</li> </ul>

			costs – fee cannot exceed \$15,000.00 Exercise of Duties subsection.
	Not in House bill.	17a	Bill-back language for 248 applications.
	Not in House bill	20	Report on whether a fee should be charged for moorings located within State waters.
	<b>Agency of Natural Resources/DEC</b>		<b>Agency of Natural Resources/DEC</b>
20F	Please see spreadsheet for individual fees and changes.  This section makes various changes to the language and fee structures within the Agency of Natural Resources to reflect new policies and operations within the agency.	21	Maximum fee for encroachment applications <ul style="list-style-type: none"> <li>• \$20,000.00</li> </ul> Dam fees <ul style="list-style-type: none"> <li>• Low risk - \$200.00/year</li> <li>• Significant risk - \$350.00/year</li> <li>• High Risk - \$1,000.00/year</li> <li>• Not classified - \$0.00</li> </ul>
	Not in House bill.	22a	Authorizes ANR to delegate to a municipality the authority to issue potable water supply and wastewater permits for sewer connections.
	<b>DCF</b>		<b>DCF</b>
	Not in House bill.	31	License fee surcharge for VSNIP. <ul style="list-style-type: none"> <li>• \$3.00 → \$4.00</li> </ul>
	<b>Judiciary</b>		<b>Judiciary</b>
	Not in House bill.	33	Probate fees. <ul style="list-style-type: none"> <li>• Creates new tiered fee structure for trusts.</li> </ul>
	Not in House bill.	34	Superior and Supreme Courts of Vermont.  New fee for minor settlements <ul style="list-style-type: none"> <li>• \$90.00</li> </ul> New co-pay for in forma pauperis applications <ul style="list-style-type: none"> <li>• \$10.00</li> </ul>
	<b>REVENUE PROVISIONS</b>		<b>REVENUE PROVISIONS</b>

	<b>Administrative Provisions</b>		<b>Administrative Provisions</b>
	Not in House bills.	35	Defines “semiweekly” to mean twice per week.
	Not in House bills.	39	Raises quarterly prize limit for charitable gaming.
4T	Removes the Commissioner of Taxes from the statutory distribution list for Municipal Annual Reports.	40	Removed from Senate amendment.
	<b>Local Option Taxes</b>		<b>Local Option Taxes</b>
	Not in House bill.		Permits any town to impose a local option tax.
	<b>Collections</b>		<b>Collections</b>
	Not in House bill.	43-45	Gives the Department of Taxes authority to collect delinquent tax debts by garnishing wages and attaching property prior to a court hearing.
	Not in House bill.	46-47	Establishes a Collections Unit within the Department of Taxes and establishes a procedure by which other agencies, branches, or subdivisions of State government can refer debts to the Department of Taxes for collection.
	Not in House bill.	48	Makes it clear that the Department of Taxes may intercept payments to Medicaid providers who are delinquent on their taxes.
	<b>Current Use</b>		<b>Current Use</b>
6T	The land use change tax is 10% all land that is developed. For a portion of parcel, the 10% is of the FMV of the resulting lot. Adds many changes to require local officials to assess land subject to the land use change tax, but the Director of Property Valuation and Review still remains the entity that receives the payments. After receiving payment, the Director remits to the municipalities the	49	Technical change making it clear that use value appraisal application does not need to be recorded with the lien which was included in H.272 as passed the House.  Does not include any changes to land use change tax.

	lesser of half of the tax paid, or \$2,000.00. Includes technical changes making it clear that use value appraisal application does not need to be recorded with the lien.		
6aT	Starting in fiscal year 2017, three-quarters of the land use change tax collected by the State shall go to the Education Fund and one-quarter shall go to the General Fund.		Not in Senate amendment.
7T	Makes it clear that portions of parcels are now valued at the fair market value, either when they are coming into current use, or out.		Not in Senate amendment.
8T	The local assessing officials no longer relies on sales information from the Director.		Not in Senate amendment.
9T	People are only required to file a management activity report if they do something, so the “required” language is inserted for clarity, and 30 days inserting for notice period.		Not in Senate amendment.
10T	Landowner may withdraw entire parcel between July 1, 2015 and October 15, 2015 and not have to pay the first \$50,000 in land use change tax. Owner cannot re-enroll the entire parcel or part of the parcel for 5 years. If the owner withdraws only part of the parcel, the easy out provisions do not apply, and the normal land use change tax is due. The easy out is not available for any parcel that is already developed when this act is passed.		Not in Senate amendment.
11T	Establishes a study committee to examine how reimbursement payments are made to the municipalities.		Not in Senate amendment.
12T	Requires the Director of Property Valuation and Review to publish guidance on how to assess land subject to a conservation easement and land subject to a use value appraisal, and how to do so		Not in Senate amendment.

	consistently across the State. The guidance must be published by April 15, 2016.		
	Not in House bills.	50	Requires PVR to conduct annual audits of three towns to determine the accuracy of local assessments for enrolled parcels.  Where an audit reveals that a townwide appraisal reached by local assessors is more than 10% higher than PVR's townwide assessment, the Director shall substitute his or her values for that of the town.
	Not in House bills.	51	Requires owners of agricultural land to certify that their land complies with the statutory requirements.
	Not in House bills.	52	Requires ANR to report on whether the current number of county foresters is sufficient to oversee the compliance of forestland with current use requirements.
	<b>Statewide Education Property Tax</b>		<b>Statewide Education Property Tax</b>
13T	Clarifies an amendment made last session to allow a homeowner whose home is leased out on April 1 to nevertheless declare it as homestead property, provided the property is owned on April 1 and is not leased for more than 183 days out of the calendar year.	53	Same as House bill, except for small language change for clarity.
14T	Currently qualified rental units, such as Section 8 housing and Section 515 rural housing, are entitled to an exemption from the statewide education property tax exemption of 10% of the property value. VHFA issues exemption certificates to taxpayers/owners of the property who present them to the town. This section would extend the length of the exemption from a 10-year period to a 20-year period.	54	Retains the 10 year exemption period, but allows VHFA to renew exemption certificates for additional 10 year periods.
	<b>Tax Increment Financing Districts</b>		<b>Tax Increment Financing Districts</b>
16T	Special assessments used to repay	56	Special assessments used for operating

	financing and based on property values do not count as property taxes for purposes of calculating the tax increment of a TIF.		expenses and not for improvements do not count as property taxes for purpose of calculating the tax increment of a TIF.
	<b>Income Taxes</b>		<b>Income Taxes</b>
1R	<p>Eliminate itemized deduction for State and local income taxes.</p> <p>The House and Senate agree on the elimination of the itemized deduction for State and local income taxes, but disagree on the remaining treatment of itemized deductions in this section:</p> <p>Caps remaining itemized deductions at two and a half times the standard deduction for each taxpayer.</p>	57	<p>Eliminates the itemized deduction for State and local income taxes.</p> <p>The House and Senate agree on the elimination of the itemized deduction for State and local income taxes, but disagree on the remaining treatment of itemized deductions in this section:</p> <p>Caps the itemized deduction for home mortgage interest at \$12,000, but indexes that amount.</p> <p>Limits the itemized deduction for charitable contributions to contributions made to a charity that provides a direct benefit to a charitable cause in this State.</p>
	Not in House bills.	57a	Requires a report from the Department of Taxes on whether the limit on home mortgage interest has a financial impact on Vermont businesses including farms.
	Not in House bills.	58	Imposes a minimum tax of 3% of federal adjusted gross income for taxpayers with more than \$150,000 in federal adjusted gross income.
	Not in House bills.	60	Requires income tax withholders to report aggregate cost of applicable employer-sponsored coverage to Department of Taxes.
	Not in House bills.	63	Provides that a publicly traded partnership is not liable for withholding and paying income taxes for its members if it provides the Department with certain information about its partners.
2R	Requires a Tax Department report on taxing corporate income in tax havens.		Not in Senate amendment.

	<b>Employer Assessment</b>		<b>Employer Assessment</b>
	Not in House bills.	81	Creates a tiered employer assessment based on the number of full-time equivalent employees.
	<b>Meals and Rooms Tax</b>		<b>Meals and Rooms Tax</b>
	Not in House bills.	82-83	Extends meals and rooms tax to vending machine sales and clarifies that vending machine operators do not need a separate license for each machine.
	<b>Sales and Use Tax</b>		<b>Sales and Use Tax</b>
	Not in House bills.	85	Adds definitions for “bottled water” and “soft drink.” Excludes those same items from the definition of “food and food ingredients” which has the effect of excluding those items from the current exemption for “food.”
	Not in House bill.	86	Updates language for current law “food” exemption to reflect Streamlined Sales and Use Tax language and current law references to SNAP program.
	Not in House bills.	87	Requires Department of Taxes to report on and develop rules for implementing the application of the sales and use tax to select consumer services.  Requires State economists to analysis economic impact of implementing the application of the sales and use tax to consumer services.
	Not in House bills.	87a	Increases default amount of use tax to report on income tax returns from 0.10% of income to 0.15% of income.
	<b>Lottery Products</b>		<b>Lottery Products</b>
38T	Prohibits the sale of lottery products in bars and restaurants where alcohol is served.		Not in Senate amendment.

	<b>Satellite Programming Tax</b>		<b>Satellite Programming Tax</b>
	Not in House bills.	88	Creates a two and a half percent gross receipts tax on providers of satellite television programming.
	<b>Tax Expenditures</b>		<b>Tax expenditures</b>
	Not in House bills.	89	Requires JFO to develop a strategy for the evaluation of tax expenditures.
	<b>Repeals</b>		<b>Repeals</b>
39	Repeals statute outlining responsibility of PVR for mapping. Repeals obsolete cross-reference in statute.	90	Same as House bill.
	<b>Effective Dates</b>		<b>Effective Dates</b>
40	Effective dates.	91	Effective dates.