

1 TO THE HONORABLE SENATE:

2 The Committee on Finance to which was referred House Bill No. 437
3 entitled “An act relating to changes that affect the revenue of the State”
4 respectfully reports that it has considered the same and recommends that the
5 Senate propose to the House that the bill be amended as follows:

6 First: In Sec. 1, 32 V.S.A. § 9602, by striking out subdivision (4) in its
7 entirety and inserting in lieu thereof a new subdivision (4) to read as follows:

8 (4) A surcharge shall be imposed at the rate of one-half of a percent of
9 the value of the property transferred in excess of \$1,500,000.00.

10 Second: By adding three new sections to be Secs. 3a–3c and their reader
11 assistance heading to read as follows:

12 * * * Sunset; Property Transfer Tax Surcharge * * *

13 Sec. 3a. 32 V.S.A. § 9602 is amended to read:

14 § 9602. TAX ON TRANSFER OF TITLE TO PROPERTY

15 A tax is hereby imposed upon the transfer by deed of title to property
16 located in this State, or a transfer or acquisition of a controlling interest in any
17 person with title to property in this State. The amount of the tax equals one
18 and one-quarter percent of the value of the property transferred or \$1.00,
19 whichever is greater, except as follows:

20 * * *

21 ~~(4) A surcharge shall be imposed at the rate of one-half of a percent of~~
22 ~~the value of the property transferred in excess of \$1,500,000.00. [Repealed.]~~

1 ~~(5) The Commissioner shall annually estimate the amount of revenue~~
2 ~~raised by the surcharge imposed pursuant to subdivision (4) of this section and~~
3 ~~transfer that same amount to the General Fund established under section 435 of~~
4 ~~this title. [Repealed.]~~

5 Sec. 3b. 32 V.S.A. § 435(b)(10) is amended to read:

6 ~~(10)(A)~~ 33 percent of the revenue from the property transfer taxes levied
7 pursuant to chapter 231 of this title and the revenue from the gains taxes levied
8 each year pursuant to chapter 236 of this title; ~~and~~

9 ~~(B) notwithstanding subdivision (A) of this subdivision (b)(10), the~~
10 ~~revenue raised by the surcharge imposed pursuant to subdivision 9602(4) of~~
11 ~~this title;~~

12 Sec. 3c. 32 V.S.A. § 9610(e) is amended to read:

13 ~~(e) Notwithstanding subsections (c) and (d) of this section and any other~~
14 ~~provision of law to the contrary, the Commissioner of Taxes shall annually~~
15 ~~estimate the revenue raised by the surcharge imposed pursuant to subdivision~~
16 ~~9602(4) of this chapter and transfer that same amount to the General Fund~~
17 ~~established under section 435 of this title. [Repealed.]~~

18 Third: By striking out Sec. 6, effective date, and its reader assistance
19 heading in their entireties and inserting in lieu thereof the following:

20 Sec. 6. 32 V.S.A. § 5930u(g)(1)(B) is amended to read:

21 (B) ~~\$675,000.00~~ \$425,000.00 in total first-year credit allocations for
22 loans or grants for owner-occupied unit financing or down payment loans as

1 provided in subdivision (b)(2) of this section consistent with the allocation
2 plan, including for new construction and manufactured housing, for an
3 aggregate limit of ~~\$3,375,000.00~~ \$2,125,000.00 over any given five-year
4 period that credits are available under this subdivision (B). ~~Of the total first-~~
5 ~~year credit allocations made under this subdivision (B), \$250,000.00 shall be~~
6 ~~used each fiscal year for manufactured home purchase and replacement.~~

7 * * * Effective Dates * * *

8 Sec. 7. EFFECTIVE DATES

9 This act shall take effect on July 1, 2021, except:

10 (1) Sec. 6 (sunset; increase to manufactured homes credit) shall take
11 effect on July 1, 2026; and

12 (2) Secs. 3a–3c (sunset; property transfer tax surcharge) shall take effect
13 on July 1, 2028.

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7 (Committee vote: _____)

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Senator _____

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FOR THE COMMITTEE