

1 H.295

2 Introduced by Committee on Ways and Means

3 Date:

4 Subject: Taxation; technical tax changes

5 Statement of purpose of bill as introduced: This bill proposes to make
6 technical changes to Vermont's tax code.

7 An act relating to technical tax changes

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

9 * * * Administrative Provisions * * *

10 Sec. 1. 2012 Acts and Resolves No. 143, Sec. 63(1) is amended to read:

11 (1) Secs. 1 (petroleum cleanup fee), 2 (petroleum cleanup fund
12 outreach), 8 (extraordinary relief), 14 (reporting requirements), 21 (affordable
13 housing tax credit), 22 (downtown tax credit for disaster expenses), 23
14 (limitation on downtown tax credits for fiscal year 2013), 24 (low income
15 property transfer tax exemption), ~~and~~ 54 (dental equipment), and 62 (allocation
16 to the emergency medical services special fund) of this act shall take effect on
17 July 1, 2012.

18 Sec. 2. 14 V.S.A. § 3502(f) is amended to read:

19 (f) Notwithstanding any other provision of law, a power of attorney
20 appointing a representative to represent a person before the Vermont

1 ~~department of taxes~~ Department of Taxes that otherwise conforms to the
2 ~~requirements of the U.S. Internal Revenue Service for a valid power of~~
3 ~~attorney and declaration of representative pursuant to 25 C.F.R. § 601.503~~
4 ~~shall be deemed to be legally executed and shall be of the same force and~~
5 ~~effect for purposes of representation before the department of taxes as if~~
6 ~~executed in the manner prescribed in this chapter~~ to the provisions of this
7 section is valid without the signature of a witness or notary.

8 Sec. 3. 18 V.S.A. § 908(a) is amended to read:

9 (a) The ~~emergency medical services special fund~~ Emergency Medical
10 Services Fund is established pursuant to 32 V.S.A. chapter 7, subchapter 5
11 comprising revenues received by the ~~department~~ Department from the ~~general~~
12 ~~fund~~ Fire Safety Special Fund, pursuant to 32 V.S.A. Sec. 8557(a), that are
13 designated for this special fund and public and private sources as gifts, grants,
14 and donations together with additions and interest accruing to the fund. The
15 ~~commissioner of health~~ Commissioner of Health shall administer the ~~fund~~
16 Fund to the extent funds are available to support online and regional training
17 programs, data collection and analysis, and other activities relating to the
18 training of emergency medical personnel and delivery of emergency medical
19 services and ambulance services in Vermont, as determined by the
20 ~~commissioner~~ Commissioner, after consulting with the EMS ~~advisory~~
21 ~~committee~~ Advisory Committee established under section 909 of this title.

1 Any balance at the end of the fiscal year shall be carried forward in the ~~fund~~
2 Fund.

3 Sec. 4. 32 V.S.A. § 3262 is amended to read:

4 § 3262. LIEN FEES; SERVICE OF PROCESS COSTS; ELECTRONIC
5 FILING OF LIENS

6 (a) Notwithstanding section 502 of this title, the ~~commissioner~~
7 Commissioner may charge against any collection of any liability any related
8 lien fees specified in subdivision 1671(a)(6) or subsection 1671(c) of this title
9 and any related service of process costs awarded to the ~~department~~ Department
10 and paid by the ~~commissioner~~ Commissioner. Fees and costs collected under
11 this section shall be credited to a special ~~fund~~ Fund established and managed
12 pursuant to subchapter 5 of chapter 7 of this title, and shall be available as
13 payment for the fees of the clerk of the municipality and the costs of service.

14 (b) The Commissioner may file notice of any lien arising in favor of the
15 State due to nonpayment of taxes with the clerk of a municipality in which the
16 property subject to lien is located in electronic format, and such lien shall have
17 the same force and effect as a lien filed in paper form.

18 * * * Cigarettes and Tobacco Products * * *

19 Sec. 5. 32 V.S.A. § 7772(b) is amended to read:

20 (b) At the purchaser's request, the ~~commissioner~~ Commissioner may sell
21 stamps to be affixed to packages of cigarettes as evidence of the payment to

1 the tax imposed by this chapter to licensed wholesale dealers and retail dealers
2 for payment within 10 days, at a discount of one and five-tenths percent of
3 their face value if timely paid. In determining whether to sell stamps for
4 payment within 10 days, the ~~commissioner~~ Commissioner shall consider the
5 credit history of the dealer; and the filing and payment history, with respect to
6 any tax administered by the ~~commissioner~~ Commissioner, of the dealer or any
7 individual, corporation, partnership, or other legal entity with which the dealer
8 is or was associated as principal, partner, officer, director, employee, agent, or
9 incorporator. ~~No stamps may be purchased during the period June 15 through~~
10 ~~June 30 each year under the provisions of this subsection.~~

11 Sec. 6. 32 V.S.A. § 7817 is amended to read:

12 § 7817. DETERMINATION OF TAX ON FAILURE TO FILE RETURN

13 (a) When the ~~commissioner~~ Commissioner discovers, by examination of
14 the records of the taxpayer as provided in section 7816 of this title, or
15 otherwise, that a person required to file a return under this subchapter, has filed
16 an incorrect or insufficient return, the ~~commissioner~~ Commissioner may, at
17 any time within three years after the date the return was due, determine the
18 correct amount of tax and shall give notice to the taxpayer of the amount of
19 any deficiency in such tax, together with penalty and interest as hereinafter
20 provided. If no return has been filed as provided by law, the tax may be
21 assessed at any time. When, before the expiration of the period prescribed

1 herein for assessment of an additional tax, a taxpayer has consented in writing
2 that the period be extended, the amount of the additional tax due may be
3 determined at any time within the extended period. The period so extended
4 may be further extended by subsequent consents in writing made before the
5 expiration of the extended period.

6 * * *

7 Sec. 7. 32 V.S.A. § 7783 is amended to read:

8 § 7783. APPEALS

9 Any person aggrieved because of any action or decision of the
10 ~~commissioner~~ Commissioner under the provisions of this chapter may appeal
11 therefrom within 30 days to the ~~superior court~~ Superior Court of the county in
12 which such person resides. The appellant shall give security, approved by the
13 ~~commissioner~~ Commissioner, conditioned to pay the tax levied, if it remains
14 unpaid, with interest and costs. ~~Such appeals shall be preferred cases for~~
15 ~~hearing on the docket of such court. Such court may grant such relief as may~~
16 ~~be equitable and may order the state treasurer to pay to the aggrieved taxpayer~~
17 ~~the amount of such relief, with interest at the rate of six percent per annum. If~~
18 ~~the appeal shall have been taken without probable cause, the court may tax~~
19 ~~double or triple costs as the case shall demand. Upon all such appeals which~~
20 ~~may be denied, costs may be taxed against the appellant at the discretion of the~~
21 ~~court, but no costs shall be taxed against the state.~~

1 decision of the ~~director~~ Director to the ~~director~~ Commissioner within 30 days
2 of the decision, and from there ~~in the same manner and under the same~~
3 ~~procedures as an appeal from a decision of a board of civil authority, as set~~
4 ~~forth in subchapter 2 of chapter 131 of this title; and may appeal the decision~~
5 ~~of the assessing officials in the same manner as an appeal of a grand list~~
6 ~~valuation to Superior Court in the county in which the property is located.~~

7 (b) Any owner who is aggrieved by the determination of the fair market
8 value of classified land for the purpose of computing the land use change tax
9 may appeal in the same manner as an appeal of a grand list valuation.

10 (c) Whenever the ~~commissioner~~ Director denies a request for an exemption
11 from the terms of the definition of a “farmer” as provided in subsection 3756(j)
12 of this title, the aggrieved person may appeal the decision of the Director to the
13 ~~commissioner~~ Commissioner within 30 days of the decision, and from there to
14 the ~~superior court~~ Superior Court ~~in the same manner and under the same~~
15 ~~procedures as an appeal from a decision of the board of civil authority, as set~~
16 ~~forth in subchapter 2 of chapter 131 of this title~~ the county in which the
17 property is located.

18 (d) Any owner who is aggrieved by a decision of the ~~department of forests,~~
19 ~~parks and recreation~~ Department of Forests, Parks and Recreation concerning
20 the filing of an adverse inspection report, ~~or a~~ a denial of approval of a
21 management plan, or a certification to the ~~director~~ Director with respect to land

1 for which a wastewater permit is issued may appeal to the ~~commissioner of the~~
2 ~~department of forests, parks and recreation~~ Commissioner of the Department of
3 Forests, Parks and Recreation within 60 days of the filing of the adverse
4 inspection report, the decision to deny approval, or the certification to the
5 Director. An appeal of this decision of the ~~commissioner~~ Commissioner may
6 be taken to the ~~superior court~~ Superior Court in the same manner and under the
7 same procedures as an appeal from a decision of a board of civil authority, as
8 set forth in chapter 131, subchapter 2 of this title.

9 * * * Estate Taxes * * *

10 Sec. 10. 32 V.S.A. § 7475 is amended to read:

11 § 7475. ADOPTION OF FEDERAL ESTATE AND GIFT TAX LAWS

12 The laws of the United States, relating to federal estate and gift taxes as in
13 effect on ~~December 31, 2011~~ December 31, 2012, are hereby adopted for the
14 purpose of computing the tax liability under this chapter, except:

15 (1) the credit for state death taxes shall remain as provided for under
16 26 U.S.C. §§ 2011 and 2604 as in effect on January 1, 2001;

17 (2) the applicable credit amount shall under 26 U.S.C. § 2010 shall not
18 apply; and the tax imposed under section 7442a of this chapter shall be
19 calculated as if the applicable exclusion amount under 26 U.S.C. § 2010 were
20 \$2,750,000.00; and

1 (3) the deduction for state death taxes under 26 U.S.C. § 2058 shall not
2 apply.

3 Sec. 11. 32 V.S.A. § 7488(b) is amended to read:

4 (b) If the ~~commissioner~~ Commissioner determines, on a petition for refund
5 or otherwise, that a taxpayer has paid an amount of tax under this chapter
6 which, as of the date of the determination, exceeds the amount of tax liability
7 owing from the taxpayer to the ~~state~~ State, with respect to the current and all
8 preceding taxable years, under any provision of this title, the ~~commissioner~~
9 Commissioner shall forthwith refund the excess amount to the taxpayer
10 together with interest at the rate per annum established pursuant to section
11 3108 of this title. That interest shall be computed from the latest of 45 days
12 after the date the return was filed or was due, including any extensions of time
13 thereto or, if the taxpayer filed an amended return or otherwise requested a
14 refund, 45 days after the date the petition or amended return was filed.

15 Sec. 12. 32 V.S.A. § 7490 is amended to read:

16 § 7490. PAYMENT AND COLLECTION OF DEFICIENCIES AND
17 ASSESSMENTS; JEOPARDY NOTICES

18 (a) Upon notification to a taxpayer of any deficiency, and upon assessment
19 against the taxpayer of any penalty or interest, under section 7485 of this title,
20 the amount of the assessment shall be payable forthwith and the amount of the
21 deficiency and assessment shall be collectible by the ~~commissioner~~ 30

1 Commissioner 60 days after the date of the notification or assessment. The
2 collection by the ~~commissioner~~ Commissioner of the deficiency, penalty, or
3 interest shall be stayed:

4 (1) If within ~~30~~ 60 days of the notification of deficiency or the
5 assessment under section 7485 of this title the taxpayer files a petition for
6 determination by the ~~commissioner~~ Commissioner in accordance with section
7 7487 of this title, collection shall be stayed until 30 days after the notification
8 of the taxpayer of the determination; and

9 (2) If within 30 days of the notification of determination the taxpayer
10 files a notice of appeal in such manner as the ~~supreme court~~ Supreme Court
11 may by rule provide, collection shall be stayed pending judgment of the court
12 upon the appeal; and

13 (3) Under such further circumstances and upon such terms as the
14 ~~commissioner~~ Commissioner prescribes.

15 * * *

16 * * * Income Tax * * *

17 Sec. 13. 32 V.S.A. § 5811(18) is amended to read:

18 (18) "Vermont net income" means, for any taxable year and for any
19 corporate taxpayer:

20 (A) the taxable income of the taxpayer for that taxable year under the
21 laws of the United States, without regard to Section 168(k) of the Internal

1 Revenue Code, and excluding income which under the laws of the United
2 States is exempt from taxation by the states:

3 (i) increased by:

4 (I) the amount of any deduction for state and local taxes on or
5 measured by income, franchise taxes measured by net income, franchise taxes
6 for the privilege of doing business and capital stock taxes; and

7 (II) to the extent such income is exempted from taxation under
8 the laws of the United States by the amount received by the taxpayer on and
9 after January 1, 1986 as interest income from state and local obligation, other
10 than obligations of Vermont and its political subdivisions, and any dividends
11 or other distributions from any fund to the extent such dividend or distribution
12 is attributable to such Vermont state or local obligations; ~~and~~

13 (III) the amount of any deduction for a net operating loss; and

14 * * *

15 Sec. 14. 32 V.S.A. § 5812 is amended to read:

16 § 5812. INCOME TAXATION OF PARTIES TO A CIVIL UNION

17 This chapter shall apply to parties to a civil union or civil marriage
18 and surviving parties to a civil union or civil marriage as if federal income tax
19 law recognized a civil union and civil marriage in the same manner as
20 Vermont law.

1 Sec. 15. 32 V.S.A. § 5824 is amended to read:

2 § 5824. ADOPTION OF FEDERAL INCOME TAX LAWS

3 The statutes of the United States relating to the federal income tax, as in
4 effect for taxable year ~~2011~~ 2012, but without regard to federal income tax
5 rates under ~~Section 1 of the Internal Revenue Code~~ 26 U.S.C. § 1, are hereby
6 adopted for the purpose of computing the tax liability under this chapter.

7 Sec. 16. 32 V.S.A. § 5852(b) is amended to read:

8 (b) In lieu of the estimated payments provided in subsection (a) of this
9 section, a taxpayer who pays federal estimated income tax in annualized
10 income installments may pay for the installment period an amount equal to the
11 ~~applicable percentage~~ 24 percent of the taxpayer's required payment for
12 federal income tax purposes, reduced by a percentage equal to the percentage
13 of the taxpayer's adjusted gross income for the taxable year which is not
14 Vermont income, provided, however, that if a taxpayer's Vermont income
15 exceeds the taxpayer's adjusted gross income, no reduction shall be made. ~~For~~
16 ~~purposes of this section, "applicable percentage" means the percentage of~~
17 ~~federal income tax liability specified in section 5822 of this title, as amended~~
18 ~~from time to time.~~

19 Sec. 17. 32 V.S.A. § 5859(b) and (c) are amended to read:

20 (b) Except as provided in subsection (c) of this section, the taxpayer shall
21 be liable for interest at the rate per annum established from time to time by the

1 ~~commissioner~~ Commissioner pursuant to section 3108 of this title upon the
2 amount of any underpayment of estimated tax.

3 (1) For purposes of this subsection, the amount of any underpayment of
4 estimated tax shall be the excess of:

5 (A) the amount of the installment which would be required to be paid
6 if the estimated tax were equal to ~~80~~ 90 percent of the tax shown on the return
7 for the taxable year, or, if no return were filed ~~80~~, 90 percent of the tax for
8 such year, over

9 (B) the amount, if any, of the installment paid on or before the last
10 date prescribed for payment.

11 * * *

12 (c) No interest for underpayment of any installment or estimated tax shall
13 be imposed if the total amount of all such payments made on or before the last
14 date prescribed for the payment of such installment equals or exceeds the
15 amount which would have been required to be paid on or before such date if
16 the estimated tax were the lesser of:

17 (1) an amount equal to the tax computed at the rate applicable to the
18 taxable year but otherwise on the basis of the facts shown on the return for, and
19 the law applicable to, the preceding taxable year; or

20 (2) an amount equal to ~~80~~ 90 percent of the tax finally due for the
21 taxable year.

1 Sec. 18. 32 V.S.A. § 5883 is amended to read:

2 § 5883. DETERMINATION OF DEFICIENCY, REFUND, ~~PENALTY, OR~~
3 INTEREST OR ASSESSMENT

4 Upon receipt of a notice of deficiency, of denial or reduction of a refund
5 claim, or of assessment of penalty or interest under section 3203 of this title,
6 the taxpayer may, within 60 days after the date of mailing of the notice or
7 assessment, petition the ~~commissioner~~ Commissioner in writing for a
8 determination of that deficiency, refund, or assessment. The ~~commissioner~~
9 Commissioner shall thereafter grant a hearing upon the matter and notify the
10 taxpayer in writing of his or her determination concerning the deficiency,
11 ~~penalty or interest~~ refund, or assessment.

12 * * * Property Tax and Property Tax Adjustments * * *

13 Sec. 19. 10 V.S.A. § 6306(b)(3) is added to read:

14 (3) A certification granted to a qualified agency shall first affect the
15 April 1 grand list following the date that all information deemed necessary by
16 the Commissioner has been provided by the qualified organization.

17 Sec. 20. 32 V.S.A. § 3802(11)(B)(i) is amended to read:

18 (i) the definitions shall apply as if federal law recognized a civil
19 union or a civil marriage in the same manner as Vermont law;

1 Sec. 21. 32 V.S.A. § 4004 is amended to read:

2 § 4004. RETURN OF INVENTORIES BY INDIVIDUALS

3 On or before April 20, unless otherwise required, every taxable person shall
4 procure such inventory form, make full answers to all interrogatories therein,
5 subscribe the same, make oath thereto, and deliver or forward the same to one
6 of the listers in the town wherein such person owns or possesses property
7 required by law to be set to him or her in the grand list. When notice in writing
8 to file, deliver, or forward such inventory on or before a given date is delivered
9 by one of the listers to a person, or mailed postage prepaid to him or her at his
10 or her last known post office address, such person, within the time therein
11 specified, shall properly fill out such inventory and deliver or forward the same
12 to one of the listers, notwithstanding he or she may not own or possess
13 property subject to taxation. Persons taxable only for real estate ~~and persons~~
14 ~~taxable only upon their polls~~ shall not be required to file such inventory unless
15 notified so to do as herein provided.

16 Sec. 22. 32 V.S.A. § 4465 is amended to read:

17 § 4465. APPOINTMENT OF ~~APPRAISER~~ PROPERTY TAX HEARING
18 OFFICER; OATH; PAY

19 When an appeal to the ~~director~~ Director is not withdrawn, the ~~director~~
20 Director shall refer the appeal in writing to a person not employed by the
21 ~~director~~ Director, appointed by the ~~director~~ Director as ~~an appraiser~~ hearing

1 ~~officer.~~ The ~~director~~ Director shall have the right to remove ~~an appraiser a~~
2 hearing officer for inefficiency, malfeasance in office, or other cause. In like
3 manner, the ~~director~~ Director shall appoint ~~an appraiser a~~ hearing officer to fill
4 any vacancy created by resignation, removal, or other cause. Before entering
5 into their duties, persons appointed as ~~appraisers~~ hearing officers shall take and
6 subscribe the oath of the office prescribed in the ~~constitution~~ Constitution,
7 which oath shall be filed with the ~~director~~ Director. The ~~director~~ Director shall
8 pay each ~~appraiser~~ hearing officer a sum not to exceed \$120.00 per diem for
9 each day wherein hearings are held, together with reasonable expenses as the
10 ~~director~~ Director may determine. ~~An appraiser~~ A hearing officer may
11 subpoena witnesses, records, and documents in the manner provided by law for
12 serving subpoenas in civil actions and may administer oaths to witnesses.

13 Sec. 23. 32 V.S.A. § 4466 is amended to read:

14 § 4466. CONDUCT OF APPEAL BEFORE ~~APPRAISER~~ HEARING
15 OFFICER

16 Unless expressly waived by all parties to the appeal, the provisions of
17 3 V.S.A. chapter 25 of Title 3 shall govern all proceedings before ~~an appraiser~~
18 a hearing officer except where inconsistent with this subchapter. ~~An appraiser~~
19 A hearing officer shall promptly notify in writing the clerk of the town and all
20 other parties to the appeal of the place within the town wherein the appeal is

1 taken, of the place within such town and the time at which the parties shall be
2 heard, such notice to be delivered in person or by mail, postage prepaid.

3 Sec. 24. 32 V.S.A. § 4467 is amended to read:

4 § 4467. DETERMINATION OF APPEAL

5 Upon appeal to the ~~director~~ Director or the court, the ~~appraiser~~ hearing
6 officer or court shall proceed de novo and determine the correct valuation of
7 the property as promptly as practicable and to determine a homestead and a
8 housesite value if a homestead has been declared with respect to the property
9 for the year in which the appeal is taken. The ~~appraiser~~ hearing officer or court
10 shall take into account the requirements of law as to valuation, and the
11 provisions of Chapter I, Article 9 of the Constitution of Vermont and the 14th
12 Amendment to the Constitution of the United States. If the ~~appraiser~~ hearing
13 officer or court finds that the listed value of the property subject to appeal does
14 not correspond to the listed value of comparable properties within the town, the
15 ~~appraiser~~ hearing officer or court shall set said property in the list at a
16 corresponding value. The findings and determinations of the ~~appraiser~~ hearing
17 officer shall be made in writing and shall be available to the appellant. If the
18 appeal is taken to the ~~director~~ Director, the ~~appraiser~~ hearing officer shall
19 inspect the property prior to making a determination.

1 Sec. 25. REPEAL

2 32 V.S.A. § 5165 (report of delinquent taxes to director) is repealed.

3 Sec. 26. REPEAL

4 32 V.S.A. § 5166 (report of payment to director) is repealed.

5 Sec. 27. REPEAL

6 32 V.S.A. § 5167 (reporting method of collection to director) is repealed.

7 Sec. 28. 32 V.S.A. § 5401 is amended to read:

8 § 5401. DEFINITIONS

9 * * *

10 (10) “Nonresidential property” means all property except:

11 * * *

12 (B) Property which is subject to the tax on railroads imposed by
13 subchapter 2 of chapter 211 of this title, ~~the tax on steamboat, car and~~
14 ~~transportation companies imposed by subchapter 3 of chapter 211 of this title,~~
15 the tax on telephone companies imposed by subchapter 6 of chapter 211 of this
16 title, or the tax on electric generating plants imposed by chapter 213 of this
17 title.

18 * * *

19 Sec. 29. 32 V.S.A. § 5405(a) is amended to read:

20 (a) Annually, on or before April 1, the ~~commissioner~~ Commissioner shall
21 determine the equalized education property tax grand list and coefficient of

1 dispersion for each municipality in the ~~state~~ State; provided, however, that for
2 purposes of equalizing grand lists pursuant to this section, the equalized
3 education property tax grand list of a municipality that establishes a tax
4 increment financing district shall include the fair market value of the property
5 in the district and not the original taxable value of the property and further
6 provided that the unified towns and gores of Essex County may be treated as
7 one municipality for the purpose of determining an equalized education
8 property grand list and a coefficient of dispersion if the Director determines
9 that all such entities have a uniform appraisal schedule and uniform appraisal
10 practices.

11 Sec. 30. 32 V.S.A. § 6066(b) and (c) are amended to read:

12 (b) An eligible claimant who rented the homestead ~~on the last day of the~~
13 ~~taxable year~~, whose household income does not exceed \$47,000.00, and who
14 submits a certificate of allocable rent shall be entitled to a credit against the
15 claimant's tax liability under chapter 151 of this title equal to the amount by
16 which the allocable rent upon the claimant's housesite exceeds a percentage of
17 the claimant's household income for the taxable year as follows:

18	If household income (rounded to	then the taxpayer is
19	to the nearest dollar) is:	entitled credit for
20		allocable rent paid in
21		excess of this percent of

1		that income:
2	\$0 - 9,999.00	2.0
3	\$10,000.00 - 24,999.00	4.5
4	\$25,000.00 - 47,000.00	5.0

5 In no event shall the credit exceed the amount of the allocable rent.

6 (c) To be eligible for a ~~property tax~~ an adjustment or credit under this
7 chapter the claimant:

8 (1) must have been domiciled in this ~~state~~ State during the entire taxable
9 year; ~~and~~

10 (2) may not be a person claimed as a dependent by any taxpayer under
11 the federal Internal Revenue Code during the taxable year; and

12 (3) in the case of a renter, shall have rented property during the entire
13 taxable year.

14 * * * Property Transfer Tax * * *

15 Sec. 31. 32 V.S.A. § 9606 is amended to read:

16 § 9606. PROPERTY TRANSFER RETURN

17 (a) A property transfer return complying with this section shall be delivered
18 to a town clerk at the time a deed evidencing a transfer of title to property is
19 delivered to the clerk for recording.

20 (b) The property transfer return required by this section shall be in such
21 form and with such signatures as the ~~commissioner, by regulation,~~

1 ~~Commissioner~~ shall prescribe, ~~and shall be signed, under oath or affirmation,~~
2 ~~by each of the parties or their legal representatives, to the transfer of title to~~
3 ~~property with respect to which the return is filed.~~ If the return is filed with
4 respect to a transfer which is claimed to be exempt from the tax imposed by
5 this chapter, the return shall set forth the basis for such exemption. If the
6 return is filed with respect to a transfer subject to such tax, the return shall
7 truly disclose the value of the property transferred, together with such other
8 information as the ~~commissioner~~ Commissioner may reasonably require for the
9 proper administration of this chapter.

10 (c) ~~The property transfer return required under this section shall also~~
11 ~~contain a certificate in such form as the secretary of the agency of natural~~
12 ~~resources and the commissioner of taxes jointly shall prescribe and shall be~~
13 ~~signed under oath or affirmation by each of the parties or their legal~~
14 ~~representatives. The certificate shall indicate:~~

15 (1) ~~whether the transfer is in compliance with or is exempt from~~
16 ~~regulations governing potable water supplies and wastewater systems under~~
17 ~~chapter 64 of Title 10; and~~

18 (2) ~~that the seller has advised the purchaser that local and state building~~
19 ~~regulations, zoning regulations, subdivision regulations, and potable water~~
20 ~~supply and wastewater system requirements pertaining to the property may~~
21 ~~significantly limit the use of the property.~~

1 ~~(d)~~ For receiving and acknowledging a property transfer return under this
2 chapter, there shall be paid to the town clerk at the time of filing a fee as
3 provided for in subdivision 1671(a)(6) of this title.

4 ~~(e)~~ ~~The property transfer return required under this section shall also~~
5 ~~contain a certificate in such form as the secretary of the agency of natural~~
6 ~~resources shall prescribe and shall be signed under oath on affirmation by each~~
7 ~~of the parties or their legal representatives. The certificate shall indicate that~~
8 ~~each party has investigated and disclosed all of his or her knowledge relating to~~
9 ~~the flood regulations, if any, affecting the property.~~

10 ~~(f)~~(d) The property transfer tax return shall not be required of properties
11 qualified for the exemption stated in subdivision 9603(17) of this title. A
12 public utility shall notify the listers of a municipality of the grantors, grantees,
13 consideration, date of execution, and location of the easement when it files for
14 recording a deed transferring a utility line easement that does not require a
15 transfer tax return.

16 ~~(g)~~(e) ~~The commissioner of taxes~~ Commissioner of Taxes is authorized to
17 disclose to any person any information appearing on a property transfer tax
18 return, including statistical information derived therefrom, and such
19 information derived from research into information appearing on property
20 transfer tax returns as is necessary to determine if the property being
21 transferred is subject to 10 V.S.A. chapter 151.

1 Sec. 32. 32 V.S.A. § 9741 is amended to read:

2 § 9741. SALES NOT COVERED

3 Retail sales and use of the following shall be exempt from the tax on retail
4 sales imposed under section 9771 of this title and the use tax imposed under
5 section 9773 of this title.

6 * * *

7 (2) Drugs intended for human use, durable medical equipment, mobility
8 enhancing equipment, and prosthetic devices and supplies, including blood,
9 blood plasma, insulin, and medical oxygen, used in diagnosis or treatment
10 intended to alleviate human suffering or to correct, in whole or in part, human
11 physical disabilities; provided however, that toothbrushes, floss, and similar
12 items of nominal value given by dentists and hygienists to patients during
13 treatment are supplies used in treatment to alleviate human suffering or to
14 correct, in whole or part, human physical disabilities and are exempt under this
15 subdivision.

16 * * *

17 Sec. 33. 32 V.S.A. § 9744(a)(2) is amended to read:

18 § 9744. PROPERTY EXEMPT FROM USE TAX

19 (a) The following uses of property are not subject to the compensating use
20 tax imposed under this chapter:

1 (1) Property used by the purchaser in this ~~state~~ State prior to June 1,
2 1969.

3 (2) Property purchased and used outside of the State by the user while a
4 nonresident of this ~~state~~ State, except in the case of tangible personal property
5 which the user, in the performance of a contract, incorporates into real property
6 located in the ~~state~~ State.

7 * * *

8 Sec. 34. 32 V.S.A. § 9781(c) is amended to read:

9 (c) If the ~~commissioner~~ Commissioner determines, on a petition for refund
10 or otherwise, that a taxpayer has paid an amount of tax under this chapter
11 which, as of the date of the determination, exceeds the amount of tax liability
12 owing from the taxpayer to the ~~state~~ State, with respect to the current and all
13 preceding taxable periods, under any provision of this title, the ~~commissioner~~
14 Commissioner shall forthwith refund the excess amount to the taxpayer
15 together with interest at the rate per annum established from time to time by
16 the ~~commissioner~~ Commissioner pursuant to section 3108 of this title. That
17 interest shall be computed from the latest of 45 days after the date the return
18 was filed or from 45 days after the date the return was due, including any
19 extensions of time thereto, with respect to which the excess payment was made
20 or, whichever is the later date if the taxpayer filed an amended return or

1 otherwise requested a refund, 45 days after the date of such amended return or
2 request was filed.

3 * * * Effective Dates * * *

4 Sec. 35. EFFECTIVE DATES

5 This act shall take effect on passage, except:

6 (1) Sec. 9 (Use Value Program appeals) shall take effect with respect to
7 appeals taken after the passage of this act.

8 (2) Sec. 10 (estate tax link to Internal Revenue Code) of this act shall
9 apply to decedents dying on or after January 1, 2012.

10 (3) Sec. 15 (link to Internal Revenue Code) of this act shall apply to
11 taxable years beginning on and after January 1, 2012.

12 (4) Secs. 22 through 24 (state appraiser name change) shall take effect
13 on July 1, 2013.

14 (5) Sec. 29 (unified assessment districts) shall take effect for the study
15 of the 2013 grand list.

16 (6) Sec. 31 (eliminating signature requirement on property transfer tax
17 returns) shall take effect for returns filed in municipal offices on and after
18 July 1, 2013.

19 (7) Sec. 34 (interest calculation on sales tax refunds) shall take effect for
20 refund petitions filed after the date of passage of this act.