1   H.502

2   Introduced by Representatives Bouchard of Colchester, Acinapura of Brandon,

3   Atkins of Winooski, Batchelor of Derby, Brennan of

4   Colchester, Burditt of West Rutland, Canfield of Fair Haven,

5   Christie of Hartford, Condon of Colchester, Consejo of

6   Sheldon, Crawford of Burke, Devereux of Mount Holly,

7   Donaghy of Poultney, Donahue of Northfield, Fagan of Rutland

8   City, Hebert of Vernon, Helm of Fair Haven, Higley of Lowell,

9   Johnson of Canaan, Koch of Barre Town, Lawrence of Lyndon,

10   Lewis of Berlin, Marcotte of Coventry, McAllister of Highgate,

11   McNeil of Rutland Town, Pearce of Richford, Peaslee of

12   Guildhall, Perley of Enosburgh, Savage of Swanton, Smith of

13   New Haven and Strong of Albany

14   Referred to Committee on

15   Date:

16   Subject: Taxation; state tax holiday

17   Statement of purpose: This bill proposes to declare March 10, 2012 a state

18   sales tax free holiday.

19   An act relating to declaring March 10, 2012 a state sales tax free holiday

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

1   Sec. 1. SALES AND USE TAX HOLIDAYS

2   (a) Notwithstanding the provisions of 32 V.S.A. § 233 and 24 V.S.A.

3   § 138, no sales and use tax or local option sales tax shall be imposed or

4   collected on sales to individuals for personal use of items of tangible personal

5   property at a sales price of $2,000.00 or less on March 10, 2012.

6   (b) A vendor in good standing shall be entitled to claim reimbursement for

7   its expenditures for the reprogramming of cash registers and computer

8   equipment which were in use at the place of business on and after March 10,

9   2012 for the March 10, 2012 sales tax holiday. Claims shall be filed with the

10 department of taxes within 60 days of the date of the sales tax holiday, with

11 receipts or such other documentation the department may require. The amount

12 of reimbursement to each vendor shall not exceed the least of the three

13 following amounts:

14   (1) the actual cost to the vendor of reprogramming its cash registers and

15 computer equipment;

16   (2) $50.00; or

17   (3) $10,000.00 divided by the number of qualified vendor applicants.

18   (c) Any municipality with a local option sales tax affected by the sales tax

19 holidays imposed by this section shall be reimbursed from the department of

20 taxes for the amount of local option sales tax revenues lost to the municipality.

21 The commissioner of taxes shall develop a methodology for determining such

1   reimbursement. The commissioner shall also adjust the deposit in the PILOT

2   special fund, as established in 32 V.S.A. § 3709, for lost deposits due to sales

3   tax holidays. Should the amount appropriated for these purposes under

4   subsection (d) of this section be insufficient to fully reimburse the

5   municipalities and adjust the PILOT special fund, reimbursements to

6   municipalities shall take priority.

7   (d) In fiscal year 2013, $10,000.00 in general funds is appropriated for

8   payments for the reprogramming under subsection (b) of this section, and

9    $100,000.00 in general funds is appropriated for the reimbursement to

10   municipalities and adjustments under subsection (c) of this section.

11   Sec. 2. EFFECTIVE DATE

12   This act shall take effect on passage.