

**No. M-13. An act relating to approval of an amendment to the charter of the City of Rutland.**

(H.505)

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

Sec. 1. CHARTER AMENDMENT APPROVAL

The General Assembly approves the amendment of the charter of the City of Rutland as set forth in this act. Voters approved the proposal of amendment on March 7, 2023.

Sec. 2. 24 App. V.S.A. chapter 9 is amended to read:

CHAPTER 9. CITY OF RUTLAND

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§ 8.9. LOCAL OPTION TAX

(a) A local option sales tax is authorized under this section for the purpose of affording the City an alternative method of raising municipal revenues with the goal of lessening the impact of certain expenses on the property tax or water and sewer fees, or both.

(b) The Board of Aldermen may authorize the assessment of a sales tax of one percent.

(c) Any tax imposed under the authority of this section shall be collected and administered by the Vermont Department of Taxes pursuant to 24 V.S.A. § 138.

(d) Revenues received through a tax imposed under this section shall be used for any of the following:

(1) deposit in any capital improvement reserve fund established in accordance with 24 V.S.A. § 2804;

(2) reducing the deficit in any underfunded pension; or

(3) financing the construction, reconstruction, or repair of City buildings, streets, sidewalks, or other infrastructure.

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Sec. 3. EFFECTIVE DATE

This act shall take effect on passage.

Date Governor signed bill: June 8, 2023