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H.528

SHORT FORM

Introduced by Representative Donovan of Burlington

Referred to Committee on

Date:

Subject: Taxation; income taxes; corporate tax; carbon fee

Statement of purpose of bill as introduced: This bill proposes to make several changes to Vermont's tax structure, designed to help Vermonters with low income and reduce the tax burden on small businesses. The bill provides replacement revenue for these changes by imposing a fee on corporations that distribute fossil fuels that emit carbon pollution.

Specifically, the bill proposes to:

(1) double the amount of earned income tax credit available under 32 V.S.A. § 5828b;

(2) lower the personal income tax rate for Vermont's lowest income tax bracket from 3.55 percent to 1.75 percent;

(3) exempt businesses earning less than \$400,000.00 from Vermont's corporate income tax;

(4) charge corporations a fee for distributing fossil fuels that emit carbon pollution, in order to make the remaining changes in the bill revenue neutral;
and

