

1 H.710

2 Introduced by Representatives Canfield of Fair Haven, Martel of Waterford,

3 Terenzini of Rutland Town, and Troiano of Stannard

4 Referred to Committee on

5 Date:

6 Subject: Taxation; property tax credits; veterans' disability payments

7 Statement of purpose of bill as introduced: This bill proposes to exempt
8 disability and pension income for veterans who are permanently and totally
9 disabled from the calculation of household income for the purpose of
10 determining income sensitivity property tax adjustments.

11 An act relating to exempting certain forms of income from the calculation
12 of household income for veterans who are permanently and totally disabled

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

14 Sec. 1. 32 V.S.A. § 6061(5) is amended to read:

15 (5) "Modified adjusted gross income" means "federal adjusted gross
16 income":

17 * * *

18 (B) With the addition of the following, to the extent not included in
19 adjusted gross income: alimony; support money other than gifts; gifts
20 received by the household in excess of a total of \$6,500.00 in cash or cash-

1 equivalents; cash public assistance and relief (not including relief granted
2 under this subchapter); cost of living allowances paid to federal employees;
3 allowances received by dependents of servicemen and women; the portion of
4 Roth IRA distributions representing investment earnings and not included in
5 adjusted gross income; railroad retirement benefits; payments received under
6 the federal Social Security Act; all benefits under Veterans' Acts, except for
7 disability and pension income paid by the U.S. Department of Veterans Affairs
8 to veterans who are permanently and totally disabled, federal pension, and
9 annuity benefits not included in adjusted gross income; nontaxable interest
10 received from the state or federal government or any of its instrumentalities;
11 workers' compensation; the gross amount of "loss of time" insurance; and the
12 amount of capital gains excluded from adjusted gross income, less the net
13 employment and self-employment taxes withheld from or paid by the
14 individual (exclusive of any amounts deducted to arrive at adjusted gross
15 income or deducted on account of excess payment of employment taxes) on
16 account of income included under this section, less any amounts paid as child
17 support money if substantiated by receipts or other evidence that the
18 Commissioner may require.

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1 Sec. 2. EFFECTIVE DATE

2 This act shall take effect on January 1, 2020 and apply to claims filed after

3 that date.