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H.361

Representative Browning of Arlington moves that the bill be amended as follows:

First: By adding a Sec. 35b to read as follows:

Sec. 35b. REPORT ON TAX CHANGES

(a) By January 15, 2016, the Joint Fiscal Office shall report to the General Assembly on how to make the following changes to Vermont’s tax system:

(1) remove the costs to the Education Fund, both in terms of appropriated spending and foregone revenue, of Vermont’s current use program under 32 V.S.A. chapter 124, and Vermont’s system of property tax adjustments under 32 V.S.A. chapter 154;

(2) lower the education base rates to account for the reduced expense to the Education Fund resulting from subdivision (1); and

(3) pay for the increased expenses to the General Fund by moving Vermont’s individual income tax from a base of federal taxable income to a base of federal adjusted gross income and use the remainder of the extra revenue to reduce all income tax rates to the extent possible.

(b) The report under subsection (1) shall include an analysis of the fiscal impact of the proposed changes, and an explanation of the different options that could result in the changes in subsection (1).

1 Second: In Sec. 36 (effective dates), in subsection (a), by striking out the
2 word “and” and inserting in lieu thereof “,”, and after “Sec. 1 (policy)” by
3 inserting “, and Sec. 35b (tax proposal)”