

POWER ALLEY - HOW THEY VOTED

Senate Finance COMMITTEE – 2014 Session

THE BILL - (H. 884)

H. 884, an act relating to miscellaneous tax changes (2014 Session): Deep in H.884 was Section 64, a provision that amended how income sensitivity was calculated for those with incomes above \$90,000 and made effective January 1, 2016. This provision, called a slope, was designed to avoid a benefit “cliff” whereby at \$89,999 a homeowner got a benefit but at \$90,001 a homeowner got none. It worked by allowing the first \$200,000 in house value owned by someone above \$90,000 to receive a partial benefit up to a point where the homeowner’s income was too high. In tax years 2008 and 2014, with no statutory change to the \$200,000 exclusion, the slope ended at \$97,000 and \$109,000 respectively, for an annual growth rate of 2%. This growth was driven by underlying economic factors, not legislative involvement. However, for tax year 2015, the slope jumped by 26% to \$137,500 because of a statutory change in H.884 increasing the exclusion to \$250,000.

Senate members voted 25 to 4 in favor of H.884 with Senator Zuckerman absent. Those opposing the bill were Senators Benning, Flory, MacDonald and McAllister. The members of the House-Senate Conference Committee were Senators Mullin and Ashe and Representatives Ancel, Sharpe and William Johnson.

Senator	How They Voted
Sen. Tim Ashe – Chittenden District – Democrat/Progressive	Yes
Sen. Mark MacDonald – Orange District - Democrat	No
Sen. Christopher Bray – Addison District - Democrat	Yes
Sen. Peter Galbraith – Windham District - Democrat	Yes
Sen. Robert Hartwell – Bennington District – Democrat	Yes
Sen. Virginia Lyons – Chittenden District – Democrat	Yes
Sen. Kevin Mullin – Rutland District - Republican	Yes

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