

Vermont		
Statement of the issues	SSUTA section and/or rule reference	State Authority
Report Issue 1: Taxability matrix changes		
All drugs for human use categories - change 32 V.S.A.9741(13); 9741(10); Reg. 1.9741(13) to 32 V.S.A. 9741(2); 9701(29); Reg. e1.9741(2)(A)	SSUTA Library of Definitions	32 V.S.A. 9701, 9741
Report Issue 2: Certificate of Compliance changes		
Section 305, paragraphs H.1. and 2. - add "N/A"; Section 310.1, question 2 - change "Yes" to "N/A"; Section 317, paragraph A. 4 - change Reg 1.9745-1(A)(5)to Reg . 1.9745-1(A)(4); Section 332, paragraph D.4. - change "N/A" to "Yes"	SSUTA Sections 305, 310.1, 317, 332	Various
BAC Issue 3: Access to Prewritten Software		
software that is licensed for use and available from a remote server is taxable. Vermont's attempt to tax access to prewritten software (and any associated hardware) from a customer merely accessing the prewritten software that is not delivered (i.e., downloaded) to the customer as a sale of "tangible personal property" is not compliant with the SSUTA. While the definition of "tangible personal property" specifically includes "prewritten software," § 333 of the SSUTA excludes computer software, which prewritten software is a component of, from the term "products transferred electronically." This is an important distinction because, as pointed out in Rule 332.2.B.4, the term "transferred electronically" is broader than the term "delivered electronically" that is used in computer related definitions. That rule specifies that just accessing a product can be considered something "transferred electronically;" however, this provision cannot apply to prewritten software because § 333 of the SSUTA excludes it from being a product "transferred electronically." It also, logically, does not fit in as tangible personal property based on the SSUTA sourcing provisions for tangible personal property. When prewritten software is only accessed by a purchaser, there is no "[t]making possession of the tangible personal property" as specified § 311.A of the SSUTA (defining when something is "received"). Further, if it is found that Vermont can tax access to prewritten software based on it being "transferred	SSUTA Sections 311.A, 333, 332.D(2) and D(4).	TB-54

State's written comments	BAC/ public comments	Staff Comment	CRIC decision
We have amended our certificate of compliance to include all of the recommended changes.			
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Vermont believes its treatment of remotely accessed software is in compliance with the SSUTA, as set forth in the SLAC Workgroup Paper published on September 18, 2012.			Governing Board referred to SLAC