

2003-2004

Subject: Taxation; revenue growth limitation; rebates; tax rate increases; voter referendum

PROPOSAL 6

Sec. 1. Sec. 77 of Chapter II of the Vermont Constitution is added to read:

§ 77. [REVENUE LIMITATION; TAXPAYER REBATE; TAX INCREASES; VOTER REFERENDUM]

The aggregate tax revenues, exclusive of user and license fees, that the state collects from its taxpayers shall not exceed the amount of revenue collected in fiscal year 2006, adjusted by the estimated growth in the state's population and by the change in the value of the dollar in the prior calendar year.

Whenever in any fiscal year revenues exceed the limit, after filling stabilization reserve funds to not more than five percent of the estimated fund expenditures for that fiscal year, the excess revenue shall be returned promptly to the taxpayers in such manner as the general assembly shall determine.

Any act of the general assembly that includes an increase in the rates for individual income, corporate income, business machine, rooms and meals, sales and use, motor vehicle purchase and use, property transfer, land gains, telecommunications, or education property taxes shall take effect only when ratified by a majority of the voters voting on the question in the next ensuing biennial general election.

The general assembly shall, in the 2007 session, enact legislation to implement this amendment.

Any group of one hundred voters of the state shall have standing to petition a Superior Court for a declaratory judgment that the general assembly has failed to comply adequately with the requirements of this section. If the judgment is granted, it shall be accompanied by an order of mandamus to be served upon the appropriate state official, instructing that officer to refuse to authorize or make any payment of legislative pay and allowances for which legislators may become eligible after the date of the judgment. The judgment shall remain in effect until the court determines, upon good and sufficient evidence, that the requirements of this section have been met. The Superior and Supreme Courts shall expedite any action brought under this section. Any curtailment of legislative compensation pursuant to this section shall not constitute a violation of Section 61.

Sec. 2. EFFECTIVE DATE

Once ratified and adopted by the people of the state in accordance with the provisions of chapter 32 of Title 17, the provisions of this amendment shall become a part of the Vermont Constitution as of January 1, 2007.

