

Review of State Cases in 2016

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Decided in 2016

- Citibank and Sears, Roebuck & Co. v. Department of Taxes, 2016 VT 69
- C & S Wholesale Grocers, Inc. v. Department of Taxes, 2016 VT 77A
- TransCanada Hydro Northeast Inc. v. Town of Rockingham, 2016 VT 100
- TransCanada Hydro Northeast Inc. v. Town of Newbury, 242-10-12 Oecv

Citibank and Sears, Roebuck & Co. v. Department of Taxes, 2016 VT 69

The case reviewed refund and deduction claims for bad debt under 32 V.S.A. § 9780.

- A person must (1) be required to collect tax AND (2) be unable to collect a debt in order to ask for a refund of sales tax paid.

C & S Wholesale Grocers, Inc. v. Department of Taxes, 2016 VT 77A

The Court reviewed the scope of the packaging exemption to the sales tax.

- Are durable fiberglass containers used for delivery considered packaging? (No, they are durable equipment.)
- Is fuel used for refrigeration packaging? (No, it does not hold or package a product.)

TransCanada Hydro Northeast Inc. v. Town of Rockingham, 2016 VT 100

The Court affirmed the Town of Rockingham's expert witness opinion of value of the Bellows Falls hydro dam.

TransCanada Hydro Northeast Inc. v. Town of Newbury, 242-10-12 Oecv

The Superior Court affirmed the Town of Newbury's value of the TransCanada's flowage easements relating to its hydro dam facility.

- Pending at Vermont Supreme Court.

AIG Insurance Management Services v. Department of Taxes, 52-1-16 Cncv

Department paid AIG a refund in 2015 after AIG prevailed in litigation. AIG argues that the court decision remanding the matter back to the Department to calculate the tax and refund was akin to a court judgment for purposes of the rate of interest to which AIG was entitled. AIG brought suit against the Department after the Department refused to pay 12% interest on the refund.

Pending

- Depot Square Pizzeria, LLC v. State of Vermont,
369-6-15 Wncv
- Lisa Mangini v. Department of Taxes,
39-1-16 Wncv
- Eurowest Cinemas, LLC v. Department of Taxes,
32-1-16 Wncv

Depot Square Pizzeria, LLC v. State of Vermont, 369-6-15 Wncv

This was decided Nov. 24, 2015, but is now pending at the Supreme Court.

Court determined that attorney fees were not appropriate when Department withdrew assessment after appeal to superior court.

**Lisa Mangini
v. Department of Taxes, 39-1-16 Wncv**

Pending in Superior Court.

Property tax adjustment disallowance case. Department denied adjustment because taxpayer was not record owner.

Eurowest Cinemas, LLC v. Department of Taxes, 32-1-16 Wncv

Pending in Superior Court.

Taxpayer movie theatre argues that the certain foods it sells from its concession stand is not subject to meals tax and that it is not a restaurant, as defined.

Contact us with your questions

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