

# Coronavirus (COVID-19) Update: 2020 Vermont Tax Relief

## Frequently Asked Questions

The Vermont Department of Taxes continues to carefully monitor the evolving situation related to the COVID-19 pandemic. We are working closely with the office of Gov. Phil Scott, the legislature, and community leaders. We are also following changes at the federal level and adhering to guidance from the Vermont Department of Health. For the most recent updates and details, please visit [tax.vermont.gov](http://tax.vermont.gov).

Read our press releases:

May 19, 2020—[tax.vermont.gov/press-release/Guidance-for-Second-Quarter-Estimated-Income-Tax-Due-Dates](http://tax.vermont.gov/press-release/Guidance-for-Second-Quarter-Estimated-Income-Tax-Due-Dates)

March 23, 2020—[tax.vermont.gov/press/date-guidance](http://tax.vermont.gov/press/date-guidance)

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## Meals and Rooms Taxes and Sales and Use Taxes

**What did the Department of Taxes announce on March 23 about Vermont Meals and Rooms Tax and Sales and Use Tax?** The Department announced on March 23 that it would temporarily not assess penalties or interest for those businesses that had been affected by the COVID-19 pandemic and could not meet the March 25, 2020, or April 25, 2020, sales and use tax or meals and rooms tax deadlines.

**What about the meals and rooms and sales and use taxes that businesses collected in April? Are those still due on May 25?** Yes, sales and use and meals and rooms taxes collected from customers in April are due May 25, and penalty and interest will be assessed for late payment or late filing as they normally are. If you are unable to pay these taxes, you should file your return and contact the Department to enter into a payment plan, which may make you eligible for a reduction in penalties. The temporary penalty and interest relief that the Department announced in March for the March 25 and April 25 payments is still active for businesses who were affected by the COVID-19 pandemic.

**Can my meals and rooms taxes or sales and use taxes be abated?** No, by law the Commissioner of Taxes cannot authorize an abatement of a business's obligation to pay the taxes it has collected from customers.

**Did the March 23 announcement cancel my responsibility to collect meals and rooms or sales and use tax moving forward?** No, this announcement did not cancel collection of these taxes during March and April, or moving forward. Businesses are required to continue to collect and report the taxes as normal moving forward.

**Were the due dates for the filing and tax payment moved?** No, the Commissioner does not have legal authority to move the due dates for the taxes. However, the Department understands the unprecedented challenges that our small and local businesses are facing and is temporarily waiving penalty and interest for those who were not able to meet these March and April deadlines.

*See information on income tax and due dates on page 2.*

Disclaimer: The information provided here is intended to be an overview only. Vermont tax statutes, regulations, Vermont Department of Taxes rulings, or court decisions supersede information presented here.

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## Income Taxes and Due Dates

**Do I still have to file my federal and state taxes by April 15?** No, the filing dates for Vermont personal income tax, corporate income tax, and fiduciary income taxes have all moved to July 15, 2020. However, the Department is still processing returns and refunds, and we encourage anyone who is expecting a refund to file so that we can get that money back into your hands as soon as possible. We also strongly encourage electronic filing and direct deposit as that will get you your refund faster than if you mail your return.

**Will I incur penalties or have to pay interest if I wait until July 15 to file?** No, all penalties and interest will be waived.

**Do I still need to file my Homestead Declaration and my Property Tax Credit Claim by April 15?** No, the deadline for Homestead Declarations and Property Tax Credit Claims have also been extended to July 15. However, you are still allowed to file now, and if you are able, you are encouraged to do so.

**Will I have to pay the \$15 late fee for my Property Tax Credit Claim if I wait until July 15 to file?** No, the late filing fee will not be deducted from your claim if you file before July 15.

**What if I am able to file now?** If you can file now, we encourage you to do so. Electronic filing and online services are still available.

**What if I am expecting a refund?** We recommend filing now if you are expecting a refund. We also recommend choosing direct deposit as your method of receiving your refund.

**Will the Department of Taxes be able to process my return and my refund even with the national emergency?** Yes, most of our staff have transitioned to working remotely and will continue working hard to process returns and issue refunds in a timely manner.

**I scheduled a payment with my commercial tax preparation software, how do I cancel?** The Department is able to cancel any scheduled payment upon written request. We recommend you email [tax.individualincome@vermont.gov](mailto:tax.individualincome@vermont.gov) with your request. In your email, be sure to specify the date of the scheduled payment you wish to cancel. To submit a payment for a different date, please visit [myvtax.vermont.gov](http://myvtax.vermont.gov).

**What if I still have questions?** Our Coronavirus update page at [tax.vermont.gov/coronavirus](http://tax.vermont.gov/coronavirus) offers the most current information. If you still need help, email us at [tax.vermont.gov/contact](mailto:tax.vermont.gov/contact).

**For all Coronavirus (COVID-19) updates as they relate to Vermont taxes,  
visit [tax.vermont.gov/coronavirus](http://tax.vermont.gov/coronavirus)**