



The following is an additional analysis done to review the impact of a local options tax on families and individuals within certain income ranges. The Annual costs by category by the various income categories were obtained from the State of Vermont. A link to the website is included in the analysis table.

2016 Vermont Basic Needs Budget Estimates**

Annual Costs Category	Poverty Level		Single No Children		Single one child										
	Effect of the FLO on a family of 4 living at the Poverty level		Annual Expenditures	Effect of The Flo 1%	Annual Expend- ature Single one	Effect of The Flo 1%	Annual Expenditure Two Adults Two Children two wage earners	Effect of the FLO 1%							
	Taxable Purchases	FLO Cost	Single Person	on Taxable Purchases	one child	on Taxable Purchases		on Taxable Purchases							
Food	0	\$	3,852	\$	-	\$	5,844	\$	-	\$	11,964	\$	-		
Housing ****	0	\$	9,516	\$	-	\$	11,808	\$	-	\$	11,808	\$	-		
Transportation	0	\$	6,192	\$	-	\$	5,508	\$	-	\$	13,068	\$	-		
Health Care	0	\$	1,788	\$	-	\$	3,600	\$	-	\$	6,228	\$	-		
Dental Care	0	\$	108	\$	-	\$	408	\$	-	\$	1,092	\$	-		
Child Care	0	\$	-	\$	-	\$	9,096	\$	-	\$	15,060	\$	-		
Clothing and household Exps.****	***250		2.5	\$	1,716	\$	4	\$	2,664	\$	7	\$	4,020	\$	10
Personal Expenses ****	***250		2.5	\$	1,056	\$	11	\$	1,596	\$	16	\$	3,192	\$	32
Telecommunications	0	\$	972	\$	-	\$	972	\$	-	\$	1,608	\$	-		
Rental Insurance	0	\$	156	\$	-	\$	156	\$	-	\$	156	\$	-		
Term Life Insurance	0	\$	-	\$	-	\$	420	\$	-	\$	600	\$	-		
Savings	0	\$	1,272	\$	-	\$	2,100	\$	-	\$	3,444	\$	-		
			0												
Total Expenses	\$24,000		\$5	\$	26,628	\$14.85	\$44,172	\$22.62	\$72,240	\$42.42	\$3.53/month				
			\$0.41 cents \ month			\$1.23/month		\$1.86/month							

** Extracted from a State of VT Study Published in 2017

http://www.leg.state.vt.us/fo/reports/2017_BNB_Report_Revision_Feb_1.pdf

<https://tax.vermont.gov/exempt-items>

*** Estimated by FLO Committee

****We have assumed the "worst case scenario" where 100% of thses catagories are subject to the 1%

Notes:

1. Utilities = 15% of housing cost. Utilities are not taxable.

2. Clothing and Housing INCLUDES apparel and services

3.For purposes of FLO calulations CLOTHING and HOUSEHOLD Expenses are reflected at 25% taxable.

4. Red = additional cost due to FLO