

Vermont's Non-filers and Statistics on Renters

VERMONT DEPARTMENT OF TAXES, OFFICE OF THE COMMISSIONER, October 2022

Who are the Vermonters who don't file income taxes?

- Vermonters are required to file a state income tax return if they are required to file federally and earned or received more than \$100 of Vermont income. [32 V.S.A. § 5861](#) (legislature.vermont.gov)
- People are required to file federally if their “gross income” is over the federal standard deduction amounts, which are: \$12,950 for Single, \$19,400 for Head of Household, and \$25,900 for Married (plus the additional \$1,400 standard deduction for being 65+ or blind, if applicable)
- Importantly, the federal filing requirement thresholds are a little higher for people receiving social security because some of it may be nontaxable. For people on social security, the thresholds are \$25,000 if the person is single or \$32,000 if married. For these filers, gross income is calculated differently: 50% of all social security benefits plus any tax-exempt interest plus all other gross income.
- This means that a not insignificant share of Vermont's population is not required to file a Vermont income tax return. In 2018, the Tax Department estimated the Vermont non-filer population at between 12% and 16%, or around 70,000 adults; the majority of whom are *legitimate* non-filers.

Do any of them pay property taxes? If so, how many?

- Yes, in 2020 there were about 8,000 homesteads where neither the filer nor the spouse filed an income tax return
- Also, the Census reported about 13,000 more owner-occupied homes in 2020 than the department's total for declared homesteads. These could be households paying the non-homestead property tax rate and they may or may not pay income taxes.
- **That means that there are probably between 10,000 and 20,000 resident households that pay property taxes but not income taxes.**

Where do Vermont's renters live and what are their incomes?

Vermont's Renter Households - Distribution by County and Income						
County	State Share	Households	Under \$25K	\$25K to \$50K	\$50K to \$100K	\$100K and Over
Chittenden	33%	24,663	30%	26%	32%	12%
Washington	10%	7,517	30%	30%	30%	9%
Rutland	10%	7,223	42%	31%	22%	5%
Windham	8%	6,188	43%	26%	24%	8%
Windsor	8%	6,000	37%	26%	31%	6%
Franklin	6%	4,283	32%	28%	30%	10%
Bennington	5%	3,886	38%	31%	21%	9%
Addison	5%	3,633	27%	28%	34%	12%
Caledonia	4%	3,148	43%	34%	18%	5%
Lamoille	4%	3,009	32%	33%	27%	8%
Orleans	3%	2,569	39%	29%	26%	7%
Orange	3%	2,451	28%	41%	24%	6%
Essex	1%	489	42%	40%	16%	2%
Grand Isle	1%	419	32%	28%	30%	10%

Source: Census 2020 American Community Survey, Table B25118