

INTERPRETIVE MEMO

3SquaresVT Rule Interpretation

Procedure Instruction

This memo remains effective statewide until it is specifically superseded – either by a subsequent memo or by a contradictory rule with a later date.

Please file in your manual facing the page indicated below.

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This Memo:  is New  Replaces one dated April 1, 2003

**Business Income**

To determine net business income, both the interest and *principal*<sup>1</sup> paid to purchase income-producing real estate, capital assets, equipment, machinery, and other durable goods are allowed as costs of doing business.

Before April 1, 2003, only the interest portion of such payments was allowed.

MBH  
PD

<sup>1</sup> 7 CFR 273.11 b, revised January 1, 2002