

1 Sec. X. REPEAL

2 Notwithstanding 1 V.S.A. § 214, 2022 Acts and Resolves No. 127, Sec. 7
3 (calculation of tax rates and tax rate review) is repealed retroactively on June
4 1, 2022.

5 Sec. X. TAX RATE TRANSITION; FISCAL YEARS 2025–2029

6 (a) For each school district, the Secretary of Education shall:

7 (1) calculate the long-term weighted average daily membership for
8 fiscal year 2024 using the funding formula in effect for that fiscal year;

9 (2) calculate the district’s percentage share of total long-term weighted
10 average daily membership for fiscal year 2024 when divided by the total long-
11 term weighted average daily membership for fiscal year 2024 for all districts;

12 (3) calculate the long-term weighted average daily membership for
13 fiscal year 2025 using the funding formula created by 2022 Acts and Resolves
14 No. 127; and

15 (4) calculate the district’s percentage share of total long-term weighted
16 average daily membership for fiscal year 2025 when divided by the total long-
17 term weighted average daily membership for fiscal year 2025 for all districts.

18 (b) For each school district, the Secretary shall calculate the relative
19 percent decrease or increase starting from the percentage determined under
20 subdivision (a)(2) of this section and compared to the percentage determined
21 under subdivision (a)(4) of this section.

1 (c) Notwithstanding 16 V.S.A. chapter 133, 32 V.S.A. chapter 135, or any
2 other provision of law to the contrary, a school district shall receive a decrease
3 to its equalized homestead property tax rate in fiscal year 2025 equal to one
4 cent for every relative percent decrease calculated under subsection (b) of this
5 section, rounded to the nearest whole cent. The tax rate decrease shall phase
6 out in the following manner:

7 (1) A district shall receive a decrease to its equalized homestead
8 property tax rate in fiscal year 2026 equal to 80 percent of the rate decrease it
9 received under subsection (c) of this section.

10 (2) A district shall receive a decrease to its equalized homestead
11 property tax rate in fiscal year 2027 equal to 60 percent of the rate decrease it
12 received under subsection (c) of this section.

13 (3) A district shall receive a decrease to its equalized homestead
14 property tax rate in fiscal year 2028 equal to 40 percent of the rate decrease it
15 received under subsection (c) of this section.

16 (4) A district shall receive a decrease to its equalized homestead
17 property tax rate in fiscal year 2029 equal to 20 percent of the rate decrease it
18 received under subsection (c) of this section.

19 (d) Notwithstanding subsection (c) of this section, 16 V.S.A. chapter 133,
20 32 V.S.A. chapter 135, or any other provision of law to the contrary, if a tax
21 rate decrease under this section would cause a district to have an equalized
22 homestead property tax rate of less than \$1.00, the rate shall instead be \$1.00.

1 (e) The tax rate decreases created under this section shall apply to all
2 homestead properties in a school district without regard for whether they are
3 income sensitized pursuant to 32 V.S.A. chapter 154.

4 (f) A district with a relative percent increase, as determined by the
5 calculations in subsections (a) and (b) of this section, shall not receive a
6 decrease in equalized homestead property tax rate under this section.