



March 8, 2023

Senate Committee on Finance  
Attn: Senator Ann Cummings, Chair  
Vermont State House, Room 6  
115 State Street  
Montpelier, VT 05633-5301

Dear Chair Cummings,

On behalf of the Essex Junction City Council, I am writing to voice our formal support of bill S.60, introduced by Senators Chittenden and Ram Hinsdale, currently being discussed by the Senate Committee on Finance. The adoption of this bill would be beneficial in yearly budgeting and planning to allow municipalities more access to tax data regarding local option tax (LOT) revenues.

Essex Junction began collecting the LOT on sales, rooms, meals, and alcohol in October 2022. Essex Junction plans to use the majority of these funds to help with capital expenses, as the capital reserve fund will run out of funds in the near term without further increases in general fund transfers. This will alleviate the burden of maintaining and replacing aging infrastructure on municipal property taxes and greatly assist the City in growing and addressing the housing shortage in the region and state.

We are in full support of this bill. Municipalities need to be able to estimate the LOT for revenue projections, and it is helpful and reasonable to allow municipal officials to have the availability to access the information and maintain confidentiality.

Forecasting the LOT revenue for annual budgeting is an exercise by the City that uses the revenue from prior years to help inform a conservative revenue projection for the coming fiscal year. The additional information proposed in S.60 to assist in the revenue forecast during the City's budget process would be welcomed by the Essex Junction City Council and City Manager.

Sincerely,

A handwritten signature in blue ink, appearing to read "Andrew Brown", is written over a horizontal line.

Andrew Brown  
City Council President

Cc: Senator Philip Baruth  
Senator Martine Gulick  
Senator Tanya Vyhovsky