

1 H.720

2 Introduced by Representatives Wright of Burlington, Donovan of Burlington,

3 Fisher of Lincoln and Peaslee of Guildhall

4 Referred to Committee on

5 Date:

6 Subject: Taxation; education property tax; declaration of homestead

7 Statement of purpose: This bill proposes to allow the commissioner of taxes to
8 provide for a refund of property tax at the commissioner's discretion after a
9 late homestead declaration and creates a committee to study long-term
10 solutions to the issues concerning late or erroneous homestead declarations.

11 An act relating to the homestead declaration and property tax refunds

12 It is hereby enacted by the General Assembly of the State of Vermont:

13 Sec. 1. 32 V.S.A. § 5410(i) is amended to read:

14 (i) An owner filing a new or corrected declaration, or rescinding an
15 erroneous declaration, after September 1 ~~shall not~~ may, in the commissioner's
16 sole discretion, be entitled to a refund resulting from the correct property
17 classification; and any additional property tax and interest which would result
18 from the correct classification shall not be assessed as tax and interest, but
19 shall instead constitute an additional penalty, to be assessed and collected in
20 the same manner as penalties under subsection (g) of this section. Any change

1 in property classification under this subsection shall not be entered on the
2 grand list.

3 Sec. 2. HOMESTEAD DECLARATION STUDY COMMITTEE

4 (a) There is created a study committee to explore potential long-term
5 solutions to the issues that arise when a taxpayer fails to file or files an
6 erroneous homestead declaration and is then taxed at the property tax rate.

7 (b) The members of the study committee shall be:

8 (1) The commissioner of taxes or designee, who shall serve as the chair
9 of the committee and shall call the first meeting of the committee on or before
10 August 1, 2010;

11 (2) One member of the public knowledgeable in education property tax
12 issues, appointed by the speaker of the house;

13 (3) One member of the house of representatives, appointed by the
14 speaker of the house;

15 (4) One member of the public knowledgeable in education property tax
16 issues, appointed by the committee on committees; and

17 (5) One member of the senate, appointed by the senate committee on
18 committees.

19 (c) No later than January 15, 2011, the committee shall report its findings
20 and recommendations to the house committee on ways and means and the
21 senate committee on finance, including financial costs associated with

1 implementing any exemptions or hardship provisions, the logistics of
2 implementation, and an analysis of the costs and benefits of any changes to the
3 current law.

4 (d) Nonlegislative members of the commission shall be entitled to
5 compensation as provided under 32 V.S.A. § 1010. The legislative members
6 of the study committee shall be entitled to per diem compensation and
7 reimbursement of expenses in accordance with 2 V.S.A. § 406.

8 Sec. 3. EFFECTIVE DATE

9 This act shall take effect upon passage and shall apply to homestead
10 declarations made on or after January 1, 2009.