

1 TO THE HOUSE OF REPRESENTATIVES:

2 The Committee on Ways and Means to which was referred House Bill No.
3 833 entitled “An act relating to the appraisal value of owner-occupied housing
4 subject to a housing subsidy covenant or other legal restriction” respectfully
5 reports that it has considered the same and recommends that the bill be
6 amended by striking out all after the enacting clause and inserting in lieu
7 thereof the following:

8 Sec. 1. 32 V.S.A. § 3481 is amended to read:

9 § 3481. DEFINITIONS

10 The following definitions shall apply in this Part and chapter 101 of this
11 title, pertaining to the listing of property for taxation:

12 (1)(A) “Appraisal value” shall mean, with respect to property enrolled in
13 a use value appraisal program, the use value appraisal as defined in subdivision
14 3752(12) of this title, multiplied by the common level of appraisal, and with
15 respect to all other property, except for owner-occupied housing identified in
16 subdivision (C) of this section, the estimated fair market value. The estimated
17 fair market value of a property is the price ~~which~~ that the property will bring in
18 the market when offered for sale and purchased by another, taking into
19 consideration all the elements of the availability of the property, its use both
20 potential and prospective, any functional deficiencies, and all other elements
21 such as age and condition which combine to give property a market value.

1 Those elements shall include ~~a consideration of a decrease in value in~~
2 ~~nonrental residential property due to a housing subsidy covenant as defined in~~
3 ~~27 V.S.A. § 610,~~ or the effect of any ~~state~~ State or local law or regulation
4 affecting the use of land, including 10 V.S.A. chapter 151 or any land
5 capability plan established in furtherance or implementation thereof, rules
6 adopted by the State Board of Health and any local or regional zoning
7 ordinances or development plans. In determining estimated fair market value,
8 the sale price of the property in question is one element to consider, but is not
9 solely determinative.

10 * * *

11 (C) For owner-occupied housing that is subject to a housing subsidy
12 covenant, as defined in 27 V.S.A. § 610, imposed by a governmental,
13 quasi-governmental, or public purpose entity, that limits the price for which the
14 property may be sold, the housing subsidy covenant shall be deemed to cause a
15 material decrease in the value of the owner-occupied housing, and the
16 appraisal value means not more than 70 percent of what the fair market value
17 of the property would be if it were not subject to the housing subsidy covenant.

18 (2) “Listed value” shall be an amount equal to 100 percent of the
19 appraisal value. The ratio shall be the same for both real and personal
20 property.

21 Sec. 2. EFFECTIVE DATE

1 This act shall take effect on January 1, 2015 and apply to property
2 appearing on grand lists lodged in 2015 and after.

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6 (Committee vote: _____)

7

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Representative

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FOR THE COMMITTEE