

1 Sec. XX. 32 V.S.A. § 3756 is amended to read:

2 § 3756. QUALIFICATION FOR USE VALUE APPRAISAL

3 (a) The owner of eligible agricultural land, farm buildings, or managed  
4 forestland shall be entitled to have eligible property appraised at its use value  
5 under the terms of this chapter provided the owner shall have applied to the  
6 Director on or before September 1 of the previous tax year, on a form approved  
7 by the Board and provided by the Director. A farmer, whose application has  
8 been accepted on or before December 31 by the Director of the Division of  
9 Property Valuation and Review of the Department of Taxes for enrollment for  
10 the use value program for the current tax year, shall be entitled to have eligible  
11 property appraised at its use value, if he or she was prevented from applying on  
12 or before September 1 of the previous year due to the severe illness of the  
13 farmer.

14 (b) As used in this subsection, the term “adjustment” means the fair market  
15 value of a parcel minus its use value appraisal. For the first year land qualifies  
16 for a use value appraisal under this chapter, the land shall be valued at its use  
17 value plus half of its adjustment. For each subsequent year that the land is  
18 continuously subject to a use value appraisal, the land shall be valued at its use  
19 value, plus an additional 5% of the adjustment. After 10 years that the land  
20 continuously qualifies for a use value appraisal, it shall be valued at its use  
21 value.

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Sec. YY. 32 V.S.A. § 3757(a) is amended to read:

§ 3757. LAND USE CHANGE TAX

(a) Land which has been classified as agricultural land or managed forestland pursuant to this chapter shall be subject to a land use change tax upon the development of that land, as defined in section 3752 of this chapter. The tax shall be at the rate of 20 percent of the full fair market value of the changed land determined without regard to the use value appraisal, multiplied by the percentage of the adjustment for the property under subsection 3756(b) of this title; or the tax shall be at the rate of 10 percent if the owner demonstrates to the satisfaction of the Director that the parcel has been enrolled continuously more than 10 years. If changed land is a portion of a parcel, the fair market value of the changed land shall be the fair market value of the changed land prorated on the basis of acreage, divided by the common level of appraisal. Such fair market value shall be determined as of the date the land is no longer eligible for use value appraisal. This tax shall be in addition to the annual property tax imposed upon such property. Nothing in this section shall be construed to require payment of an additional land use change tax upon the subsequent development of the same land, nor shall it be construed to require payment of a land use change tax merely because previously eligible land becomes ineligible, provided no development of the land has occurred.

1       Sec. ZZ. EFFECTIVE DATE

2               Sec. XX shall take effect on July 1, 2014 and apply to new applications for

3       use value appraisal after that date.

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