



State of Vermont  
Department of Taxes  
133 State Street  
Montpelier, VT 05633-1401

Agency of Administration

December 13, 2013

Rep. Shap Smith, Speaker of the House  
Sen. John Campbell, President Pro Tempore  
Vermont State House  
115 State Street  
Montpelier, VT 05633-0004

Dear Speaker Smith and President Pro Tempore Campbell,

As you know, the statutorily mandated recommendation from the Tax Commissioner on adjustments to the statewide education tax rates is based on various forecasts. Although those forecasts routinely continue to change throughout the year, it has come to my attention that consultants erroneously reported the current State and Local Government Price Index, which affects several calculations to the point that a revision to my November 26, 2013 letter is warranted. Staff has worked to recalculate the elements affected by this error. The most significant impact is that the base education amount per pupil for next year by statute would be \$9382, which would necessitate an additional \$0.02 increase in the base homestead property tax rate and the uniform non-homestead property tax rate, and the base homestead income rate would rise to 1.84%. However, please be aware that if the Legislature chooses to keep the base education amount at this year's level of \$9151, such additional increases over the base rates initially reported are unnecessary.

Sincerely yours,

Mary Peterson  
Commissioner, Department of Taxes

cc: Jeb Spaulding, Secretary, Agency of Administration  
Armando Vilaseca, Secretary, Agency of Education  
Jim Reardon, Commissioner, Department of Finance and Management  
Rep. Janet Ancel  
Sen. Tim Ashe  
Rep. Johannah Leddy Donovan  
Sen. Dick McCormack  
Stephen Klein, Joint Fiscal Office  
Luke Martland, Legislative Council

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