



Senate Finance Committee
S. 489, Revenue
April 28, 2015
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Vermont League of Cities and Towns

Thank you for the opportunity to testify. I will comment on Sections 5 and 7 of Draft 4.2.

Section 5 removes the Commissioner of Taxes from the statutory distribution list for Municipal Annual Reports. That section also includes two copies to the State Library, one copy to the Secretary of State, State Board of Health, Commissioner for Children and Families, Commissioner of Vermont Health Access, Auditor of Accounts and Board of Education. We think that the Commissioner for Children and Families and the Commissioner of Vermont Health Access at least do not view those reports as a high priority.

Section 7 would accord all towns the authority to vote to enact local option taxes. We thank the committee for continuing to propose this change. As we speak, the Colchester Charter change bill (H. 497) is in the House Ways and Means Committee seeking ratification of a duly voted local option tax.

We ask you to provide clarity on the taxation of municipally owned parking garages. These facilities are tremendously expensive to build, operate and maintain. They are one of the most important pieces of infrastructure in our downtowns and urban centers - facilities that make redevelopment of those areas attractive.

Sec. 9. 32 V.S.A. § 5401(10) is amended to read:

(10) "Nonresidential property" means all property except:

* * *

(F) Property owned by a municipality which is located within that municipality and which is used for municipal purposes, including the provision of utility services and including off-street parking garages built, owned, and managed by a municipality in a designated center as defined in 24 V.S.A. chapter 76A § 6001(30). For the purpose of this section, public use of a municipal garage may include the leasing of the garage to multiple commercial tenants for part of the day, provided that a substantial portion of the garage parking spaces are open to the general public during evenings and weekends.

Thank you for your consideration of this addition.