

1 H.715

2 Introduced by Representatives Donahue of Northfield, Brennan of Colchester,
3 Gage of Rutland City, Lewis of Berlin, Lucke of Hartford, and
4 O'Sullivan of Burlington

5 Referred to Committee on

6 Date:

7 Subject: Taxation; property taxation; municipal taxation of private colleges
8 and universities

9 Statement of purpose of bill as introduced: This bill proposes to allow
10 municipalities to tax private college and university buildings on a similar basis
11 to compensation received for State college and university buildings under the
12 PILOT program.

13 An act relating to municipal property taxation of private college and
14 university buildings

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

16 Sec. 1. 32 V.S.A. § 3831 is amended to read:

17 § 3831. COLLEGE, UNIVERSITY, OR FRATERNITY PROPERTY

18 * * *

19 (e) This section shall apply to private postsecondary buildings as defined in
20 subdivision 3833(a)(1) of this title with regard to education property tax only.

1 This section shall apply to all other real property specified in subsection (a) of
2 this section with regard to both education property tax and municipal
3 property tax.

4 Sec. 2. 32 V.S.A. § 3833 is added to read:

5 § 3833. MUNICIPAL PROPERTY TAX ON PRIVATE COLLEGE AND
6 UNIVERSITY BUILDINGS

7 (a) As used in this section:

8 (1) “Appraisal value” shall have the same meaning as in subdivision
9 3481(1)(A) of this title.

10 (2) “Common level of appraisal” shall have the same meaning as in
11 subdivision 5401(3) of this title.

12 (3) “Private postsecondary buildings” means buildings used for
13 educational and not commercial purposes and owned by an independent
14 nonprofit or private college or university such as would be exempted from
15 taxation by section 3802 of this title.

16 (b) For municipal property tax purposes, private postsecondary buildings
17 shall be set in the grand list of the town or city in which such real property is
18 located at appraisal value multiplied by the following:

19 (1) one percent;

1 (2) the percentage of the full PILOT grants calculated under section
2 3703 of this title that is actually paid to municipalities pursuant to subsection
3 3709(b) of this title in the most recent year for which data are available; and
4 (3) the common level of appraisal, unless the appraisal value already
5 includes a common level of appraisal adjustment under subdivision 3481(1)(A)
6 of this title.

7 (c) Private postsecondary buildings shall be taxed for municipal property
8 tax purposes based on the grand list value established in subsection (b) of this
9 section. However, the voters of any town or city may at any legal meeting
10 thereof warned for that purpose vote to exempt private postsecondary buildings
11 from taxation, either in whole or in part.

12 Sec. 3. EFFECTIVE DATE

13 This act shall take effect on July 1, 2019 and apply to grand lists lodged
14 after that date.