

1 TO THE HONORABLE SENATE:

2 The Committee on Finance to which was referred Senate Bill No. 76
3 entitled “An act relating to property tax appeals” respectfully reports that it has
4 considered the same and recommends that the bill be amended by striking out
5 all after the enacting clause and inserting in lieu thereof the following:

6 Sec. 1. 32 V.S.A. § 5412 is amended to read:

7 § 5412. REDUCTION OF LISTED VALUE AND RECALCULATION OF
8 EDUCATION TAX LIABILITY

9 (a)(1) If a listed value is reduced as the result of an appeal or court action,
10 and if the municipality files a written request with the Commissioner within 30
11 days after the date of the determination, entry of the final order, or settlement
12 agreement if the Commissioner determines that the settlement value is the fair
13 market value of the parcel, the Commissioner shall recalculate the
14 municipality’s education property tax liability for the ~~year~~ years at issue, in
15 accord with the reduced valuation, provided that:

16 (A) the reduction in valuation is the result of an appeal under chapter
17 131 of this title to the Director of Property Valuation and Review or to a court,
18 with no further appeal available with regard to that valuation, or any judicial
19 decision with no further right of appeal, or a settlement of either an appeal or
20 court action if the Commissioner determines that the settlement value is the
21 fair market value of the parcel;

1 (B) the municipality notified the Commissioner of the appeal or court
2 action, in writing, within ~~10~~ 30 days after notice of the appeal was filed under
3 section 4461 of this title or after the complaint was served; ~~and~~

4 (C) ~~as a result of the valuation reduction of the parcel, the value of~~
5 ~~the municipality's grand list is reduced at least one percent. [Repealed.]~~

6 (D) the Commissioner determines that the assessment was consistent
7 with best practices published by the Director of Property Valuation and
8 Review in accordance with the Vermont Assessors and Listers Association.
9 Any municipality aggrieved by a determination of the Commissioner pursuant
10 to this subdivision may appeal therefrom in accordance with section 5885 of
11 this title, but the determination of the Commissioner may be overturned on
12 appeal only for abuse of discretion.

13 * * *

14 (e) Reimbursements made to a municipality under this section shall be
15 equal to an amount equal to the loss in education grand list value multiplied by
16 the tax rate imposed under chapter 135 of this title.

17 Sec. 2. 32 V.S.A. § 5413 is added to read:

18 § 5413. ATTORNEY'S FEES

19 In any appeal to a court under chapter 131 of this title, the court, in its
20 discretion, may allow a reasonable attorney's fee as part of the costs to a
21 prevailing municipality.

1 Sec. 3. 32 V.S.A. § 5414 is added to read:

2 § 5414. GRAND LIST LITIGATION ASSISTANCE

3 If the Commissioner recalculates a municipality’s education property tax
4 liability pursuant to section 5412 of this title, the municipality may submit to
5 the Attorney General legal expenditures made as a result of any related
6 litigation. The Attorney General shall review the submitted bills and, if
7 reasonable, approve reimbursement of the submitted expenses multiplied by
8 the ratio between the tax collected under chapter 135 of this title and the tax
9 collected under 24 V.S.A. § chapter 51, subchapter 1, to be paid out of the
10 Consumer Settlement Account.

11 Sec. 4. EFFECTIVE DATE

12 This act shall take effect on July 1, 2017.

13

14 (Committee vote: _____)

15

16

Senator _____

17

FOR THE COMMITTEE