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H.226

Introduced by Representative McCullough of Williston

Referred to Committee on

Date:

Subject: Taxation; property taxes; use value appraisal;

Statement of purpose of bill as introduced: This bill proposes to change the definition of “development” so that when a landowner donates land for conservation, the land use change tax will not apply to any remaining parcel that results from the subdivision.

An act relating to creating an exemption from the land use change tax

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

Sec. 1. 32 V.S.A. § 3752(5) is amended to read:

(5) “Development” means, for the purposes of determining whether a land use change tax is to be assessed under section 3757 of this chapter;

(A) the construction of any building, road, or other structure, or any mining, excavation, or landfill activity. ~~“Development” also means;~~

(B) the subdivision of a parcel of land into two or more parcels, regardless of whether a change in use actually occurs, where one or more of the resulting parcels contains less than 25 acres each; but;

1 (i) if the subdivision is solely the result of a transfer to one or
2 more of a spouse, parent, grandparent, child, grandchild, niece, nephew, or
3 sibling of the transferor, or to the surviving spouse of any of the foregoing,
4 then “development” shall not apply to any portion of the newly created parcel
5 or parcels ~~which~~ that qualifies for enrollment and for which, within 30 days
6 following the transfer, each transferee or transferor applies for reenrollment in
7 the use value appraisal program. ~~“Development” also means; and~~

8 (ii) if the subdivision is solely the result of a transfer of one or
9 more parcels for conservation purposes, and the sole remaining parcel is less
10 than 25 acres and still owned by the donative owner, then the land use tax shall
11 not apply to the remaining parcel; provided the remaining parcel does not
12 change ownership for six years, and is not developed for six years.

13 (C) the cutting of timber on property appraised under this chapter at
14 use value in a manner contrary to a forest or conservation management plan as
15 provided for in subsection 3755(b) of this title during the remaining term of the
16 plan, or contrary to the minimum acceptable standards for forest management
17 if the plan has expired; or a change in the parcel or use of the parcel in
18 violation of the conservation management standards established by the
19 Commissioner of Forests, Parks and Recreation. ~~“Development” also means;~~

20 (D) notification of the Director by the Secretary of Agriculture, Food
21 and Markets under section 3756 of this title that the owner or operator of

1 agricultural land or a farm building is violating the water quality requirements
2 of 6 V.S.A. chapter 215 or is failing to comply with the terms of an order
3 issued under 6 V.S.A. chapter 215, subchapter 10-; and

4 (E) ~~The~~ the term “development” shall not include the construction,
5 reconstruction, structural alteration, relocation, or enlargement of any building,
6 road, or other structure for farming, logging, forestry, or conservation
7 purposes, but shall include the subsequent commencement of a use of that
8 building, road, or structure for other than farming, logging, or forestry
9 purposes.

10 Sec. 2. EFFECTIVE DATE

11 This act shall take effect on July 1, 2019.