

1       Sec. XX. PHASE-IN OF UNIFIED EQUALIZED HOMESTEAD  
2                   PROPERTY TAX RATE AND HOUSEHOLD INCOME  
3                   PERCENTAGE

4       (a) As used in this section:

5           (1) “Forming district” means a school district that is ordered by the State  
6 Board Order to merge with other forming districts to create a newly formed  
7 district.

8           (2) “Member town” means a town associated with a forming district that  
9 merged into a newly formed district.

10          (3) “Member town’s base rate” means the fiscal year 2019 equalized  
11 homestead property tax rate of the forming district associated with the member  
12 town.

13          (4) “Newly formed district” means:

14           (A) a union school district that is formed by the State Board Order by  
15 merging forming districts; where

16           (B) one or more of the forming districts had capital construction  
17 spending under 16 V.S.A. § 4001(6)(B)(i), (ii), and (iii) per equalized pupil  
18 exceeding \$1,500.00 in fiscal year 2019.

19          (5) “State Board Order” means the “Final Report of the Decisions and  
20 Order on Statewide School District Merger Decisions Pursuant to Act 46,

1 Sections 8(b) and 10” issued by the State Board of Education dated  
2 November 28, 2018.

3 (b) The unified equalized homestead property tax rate and unified  
4 household income percentage for a newly formed district shall be phased in  
5 among each member town for a period of five fiscal years, starting with fiscal  
6 year 2020.

7 (c)(1) If a member town’s base rate is higher than the newly formed  
8 district’s unified equalized homestead property tax rate for the fiscal year in  
9 which the member town’s equalized homestead property tax rate is being  
10 calculated, an amount will be subtracted from the member town’s base rate.

11 (2) If the member town’s base rate is lower than the newly formed  
12 district’s unified equalized homestead property tax rate for the fiscal year in  
13 which the member town’s equalized homestead property tax rate is being  
14 calculated, an amount will be added to the member town’s base rate.

15 (d)(1) For fiscal year 2020, the amount subtracted from or added to a  
16 member town’s base rate shall be determined by multiplying:

17 (A) the difference between the member town’s base rate and the  
18 newly formed district’s fiscal year 2020 unified equalized homestead property  
19 tax rate; by

20 (B) 20 percent.

1           (2) For each subsequent fiscal year during the phase-in period, the  
2           amount subtracted from or added to a member town's base rate shall be  
3           determined by multiplying:

4                   (A) the difference between the member town's base rate and the  
5           newly formed district's unified equalized homestead property tax rate for that  
6           fiscal year; by

7                   (B) the percentage that results from adding:

8                           (i) the percentage adjustment for the prior fiscal year; to

9                           (ii) 20 percent.

10           (e) If there is no differential between a member town's base rate and the  
11           newly formed district's unified equalized homestead property tax rate for the  
12           relevant fiscal year, then the equalized homestead property tax rate for that  
13           member town shall be the equalized homestead property tax rate of the newly  
14           formed district for that fiscal year and for every fiscal year after.

15           (f) The household income percentage shall be calculated in the same  
16           manner as the equalized homestead property tax rate for a member town within  
17           the newly formed district over this period.