

1 H.514

2 Representative Kimbell of Woodstock moves that the bill be amended as
3 follows:

4 First: By striking out Sec. 22 (32 V.S.A. § 5402) and Sec. 24 (32 V.S.A.
5 § 5405) in their entirety and inserting in lieu thereof the following:

6 Sec. 22. [Deleted.]

7 Sec. 24. [Deleted.]

8 Second: By inserting reader assistance headings and Secs. 30a–30h to read
9 as follows:

10 * * * Adjusted Basis * * *

11 Sec. 30a. 32 V.S.A. § 3481 is amended to read:

12 § 3481. DEFINITIONS

13 The following definitions shall apply in this Part and chapter 101 of this
14 title, pertaining to the listing of property for taxation:

15 (1)(A) “Appraisal value” shall mean:

16 (i) ~~with~~ With respect to property enrolled in a use value appraisal
17 program, the use value appraisal as defined in subdivision 3752(12) of this
18 title, multiplied by the common level of appraisal, ~~and with respect to all other~~
19 ~~property, except for owner-occupied housing identified in subdivision (C) of~~
20 ~~this subdivision (1), the estimated fair market value.~~

1 (ii) With respect to property subject to a tax stabilization
2 agreement under section 5404 of this title, the estimated fair market value. The
3 estimated fair market value of a property is the price that the property will
4 bring in the market when offered for sale and purchased by another, taking into
5 consideration all the elements of the availability of the property, its use both
6 potential and prospective, any functional deficiencies, and all other elements
7 such as age and condition that combine to give property a market value. Those
8 elements shall include the effect of any State or local law or regulation
9 affecting the use of land, including 10 V.S.A. chapter 151 or any land
10 capability plan established in furtherance or implementation thereof, rules
11 adopted by the State Board of Health, and any local or regional zoning
12 ordinances or development plans. In determining estimated fair market value,
13 the sale price of the property in question is one element to consider, but is not
14 solely determinative.

15 (iii) With respect to all other property not specified in this section,
16 the adjusted basis value. The adjusted basis value means the acquisition cost
17 of the property, plus the value of improvements over \$10,000.00, adjusted for
18 inflation by a percentage of the consumer price index between the acquisition
19 or improvement date and the assessment date.

20 * * *

1 Sec. 30b. 32 V.S.A. § 4041 is amended to read:

2 § 4041. EXAMINATION OF PROPERTY; APPRAISAL

3 On April 1, the listers shall proceed to take up such inventories and make
4 such personal examination of the property ~~which~~ that they are required to
5 appraise as will enable them to appraise it at its ~~fair market~~ adjusted basis
6 value. When a board of listers is of the opinion that expert advice or assistance
7 is needed in making any appraisal required by law, it may, with approval of
8 selectboard or by vote of the town, employ such assistance.

9 Sec. 30c. CONFORMING REVISIONS

10 When preparing the cumulative supplements and replacement volumes of
11 the Vermont Statutes Annotated for publication, the Office of Legislative
12 Council shall change the term “fair market value” to “adjusted basis value” in
13 these supplements and volumes as needed for consistency with Secs. 1–2 of
14 this act, provided the revisions have no other effect on the meaning of the
15 affected statutes.

16 * * * Current Use Enrollment Freeze * * *

17 Sec. 30d. SUSPENSION OF NEW APPLICATIONS FOR USE VALUE

18 APPRAISALS

19 (a) Notwithstanding any other provision of law, between July 1, 2020 and
20 June 30, 2021, the Director of Property Valuation and Review shall neither
21 accept nor approve any application to subject new land to a use value

1 appraisal. Any land already subject to a use value appraisal under this chapter
2 on June 30, 2020 shall continue to be eligible for a use value appraisal for the
3 period between July 1, 2020 and June 30, 2021, provided the other
4 requirements of this chapter are met.

5 (b) Notwithstanding any other provision of law, an owner of property
6 enrolled in use value appraisal under 32 V.S.A. chapter 124 on June 30, 2020
7 who elects to either discontinue enrollment or to develop a parcel, or a portion
8 of a parcel, between July 1, 2020 and June 30, 2021, shall not be subject to the
9 land use change tax imposed pursuant to 32 V.S.A. § 3757; provided, however,
10 that if the property owner does elect to discontinue enrollment or to develop
11 the land, the owner shall pay the full property tax, based upon the property's
12 full fair market value, for the 2020 assessment, and no State reimbursement
13 shall be paid for that land.

14 * * * Common Level of Appraisal * * *

15 Sec. 30e. 32 V.S.A. § 5401 is amended to read:

16 § 5401. DEFINITIONS

17 As used in this chapter:

18 (1) ~~“Coefficient of dispersion” is the average absolute deviation~~
19 ~~expressed as a percentage of the median ratio, and for a municipality in any~~
20 ~~school year shall be determined by the Director of Property Valuation and~~
21 ~~Review as follows:~~

1 ~~(A) calculate the ratio of the listed value to the fair market value of~~
2 ~~each property used in determining the equalized education property value of~~
3 ~~the municipality as required by section 5406 of this title;~~

4 ~~(B) determine the median of the ratios calculated in subdivision (A) of~~
5 ~~this subdivision (1);~~

6 ~~(C) determine the absolute deviation of each ratio from the median~~
7 ~~ratio calculated in subdivision (B) of this subdivision (1);~~

8 ~~(D) calculate the average absolute deviation. [Repealed.]~~

9 (2) “Commissioner” means the Commissioner of Taxes.

10 ~~(3) “Common level of appraisal” means the ratio of the aggregate value~~
11 ~~of local education property tax grand list to the aggregate value of the~~
12 ~~equalized education property tax grand list. [Repealed.]~~

13 (4) “Director” means the Director of Property Valuation and Review.

14 (5) “Education property tax grand list” means the list of property
15 determined pursuant to section 5404 of this title. When the listed value of real
16 property for school tax purposes is adjusted by a board of civil authority or a
17 court, that board or court shall make a corresponding adjustment to the listed
18 value for purposes of taxation under this chapter.

19 ~~(6) “Equalized education property tax grand list” means one percent of~~
20 ~~the aggregate fair market value of all nonresidential and homestead property~~
21 ~~that is required to be listed at fair market value as certified during that year by~~

1 ~~the Director of Property Valuation and Review under section 5406 of this title,~~
2 ~~plus one percent of the aggregate value of property required to be listed at a~~
3 ~~value established under a stabilization agreement described under section~~
4 ~~5404a of this title, plus one percent of the aggregate use value established~~
5 ~~under chapter 124 of this title of all nonresidential property that is enrolled in~~
6 ~~the use value appraisal program. [Repealed.]~~

7 * * *

8 (11) “Education property value” means the aggregate fair market listed
9 value of all nonresidential and homestead real property ~~that is required to be~~
10 ~~listed at fair market value as certified during that year by the Director of~~
11 ~~Property Valuation and Review under section 5406 of this title, plus the~~
12 aggregate value of property required to be listed at a value established under a
13 stabilization agreement described under section 5404a of this title, plus the
14 aggregate use value established under chapter 124 of this title of all
15 nonresidential real property that is enrolled in the use value appraisal program.

16 * * *

17 (15) “Property dollar equivalent yield” means the amount of spending
18 per equalized pupil that would result if the homestead tax rate were \$1.00 per
19 \$100.00 of equalized education property value, and the statutory reserves
20 under 16 V.S.A. § 4026 and section 5402b of this title were maintained.

21 * * *

1 Sec. 30f. 32 V.S.A. § 5402c(e) is amended to read:

2 (e) Unless buildings and fixtures are taxed under this section, they shall
3 remain subject to taxation under section 5402 of this title. ~~Buildings and~~
4 ~~fixtures subject to the education property tax under this section shall not be~~
5 ~~taken into account in determining the common level of appraisal for the~~
6 ~~municipality.~~

7 Sec. 30g. REPEALS

8 32 V.S.A. §§ 5405 (determination of equalized education property tax grand
9 list and coefficient of dispersion), 5406 (notice of fair market value and
10 coefficient of dispersion), and 5408 (petition for redetermination) are repealed.

11 Sec. 30h. CONFORMING REVISIONS

12 When preparing the cumulative supplements and replacement volumes of
13 the Vermont Statutes Annotated for publication, the Office of Legislative
14 Council shall change the term “equalized education property value” to
15 “education property value” in these supplements and volumes as needed for
16 consistency with Secs. 3–5 of this act, provided the revisions have no other
17 effect on the meaning of the affected statutes.

18 Third: In Sec. 38 (effective dates), by adding a new subdivision to be
19 subdivision (5) to read as follows:

1 (5) Secs. 30a–30c (adjusted basis), 30d (current use enrollment freeze),
2 and 30e–30h (common level of appraisal) shall take effect on July 1, 2019 and
3 apply to grand lists lodged for fiscal year 2021 and after.