

1 H.959

2 Representative Ralph of Hartland moves that the bill be amended by
3 striking out Sec. 5 (effective date) in its entirety and inserting in lieu thereof
4 new Secs. 5-7 and their reader assistance headings to read as follows:

5 * * * High-Value Homestead Property Surcharge * * *

6 Sec. 5. 32 V.S.A. § 5402 is amended to read:

7 § 5402. EDUCATION PROPERTY TAX LIABILITY

8 (a) A statewide education tax is imposed on all nonhomestead and
9 homestead property at the following rates:

10 * * *

11 (3) The surcharge rate for homestead properties with a fair market value
12 exceeding \$1,000,000.00 shall be \$0.50 per \$100.00 of value.

13 (b) The statewide education tax shall be calculated as follows:

14 (1) The Commissioner of Taxes shall determine for each municipality
15 the education tax rates under subsection (a) of this section, divided by the
16 municipality’s most recent common level of appraisal. The legislative body in
17 each municipality shall then bill each property taxpayer at the homestead or
18 nonhomestead rate determined by the Commissioner under this subdivision,
19 multiplied by the education property tax grand list value of the property,
20 properly classified as homestead or nonhomestead property and without regard
21 to any other tax classification of the property. Statewide education property

1 tax bills shall show the tax and any surcharge due and the calculation of the
2 rate determined under subsection (a) of this section, divided by the
3 municipality's most recent common level of appraisal, multiplied by the
4 current grand list value of the property to be taxed. Statewide education
5 property tax bills shall also include language provided by the Commissioner
6 pursuant to subsection 5405(g) of this title.

7 (2) Taxes and any surcharge assessed under this section shall be
8 assessed and collected in the same manner as taxes assessed under chapter 133
9 of this title with no tax classification other than as homestead or nonhomestead
10 property; provided, however, that the tax levied under this chapter shall be
11 billed to each taxpayer by the municipality in a manner that clearly indicates
12 the tax is separate from any other tax assessed and collected under chapter 133,
13 including an itemization of the separate taxes due. The bill may be on a single
14 sheet of paper with the statewide education tax and other taxes presented
15 separately and side by side.

16 * * *

17 (c) The treasurer of each municipality shall by December 1 of the year in
18 which the tax ~~is~~ and any surcharge are levied and on June 1 of the following
19 year pay to the State Treasurer for deposit in the education fund one-half of the
20 municipality's statewide nonhomestead tax, ~~and~~ one-half of the municipality's
21 homestead education tax, as determined under subdivision (b)(1) of this

1 section, and one-half of the municipality’s surcharge imposed under
2 subdivision (a)(3) of this section. The Secretary of Education shall determine
3 the municipality’s net nonhomestead education tax payment and its net
4 homestead education tax payment to the State based on grand list information
5 received by the Secretary no later than the March 15 prior to the June 1 net
6 payment. Payment shall be accompanied by a return prescribed by the
7 Secretary of Education. The municipality may retain 0.225 of one percent of
8 the total education tax collected, only upon timely remittance of net payment to
9 the State Treasurer. The municipality may also retain \$15.00 for each late
10 property tax credit claim filed after April 15 and before September 2, as
11 notified by the Department of Taxes, for the cost of issuing a new property tax
12 bill.

13 * * *

14 Sec. 6. 16 V.S.A. § 4025(a) is amended to read:

15 (a) The Education Fund is established to comprise the following:

16 (1) all revenue paid to the State from the statewide education tax on
17 nonhomestead and homestead property and the surcharge on homestead
18 property under 32 V.S.A. chapter 135;

19 * * *

20 * * * Effective Date * * *

21 Sec. 7. EFFECTIVE DATE

1 This act shall take effect on July 1, 2020 except, notwithstanding 1 V.S.A.
2 § 214, Secs. 5 (surcharge on homestead property) and 6 (Education Fund) shall
3 take effect retroactively on January 1, 2020 and apply to any grand list lodged
4 after that date.