

Good Afternoon,

Thank you for allowing me the time to speak with you today. My name is John McCann and I own and operate North Branch Vineyards in Montpelier with my spouse and business partner Kate McCann. We started North Branch Vineyards in June 2007. We are a well established winery producing International award winning wines using Vermont grown grapes. I am here today to discuss Title 32, Chapter 124, Subchapter 001, section 3757 Land Use Tax Change.

On August 2015, we established a 30 yr lease agreement with an option to purchase on August 2020 with Eugene Joslin to plant a vineyard located at 267 Portal Road in Middlesex. Eugene was a Jersey farmer and was once the Middlesex Town Clerk. On June 1st 2018, I planted 3200 vines on a 14 acre parcel owned by Eugene. This land was enrolled in the current use program. Unfortunately, Eugene passed away at age 92 last February and the home site and land was passed down to his family. NBV's would like to purchase the land this year.

As the current statute is written, when property listed in current use is withdrawn or in this case sold, the property has to be removed from the current use program and a use change tax is imposed even when the commodity on that land does not change. Growing grapes is not like growing corn, it is a long term commitment. Some vineyards are more than 100 years old. Since the land will continue to be used as farmland, I would then have to re-enroll the land in current use once I purchase the property. I am asking the Senate finance committee to add an abatement to section 3757 stating that if the agricultural commodity does not change during a transfer of ownership than the change use tax will not be implemented.

I have spoken with Secretary Tebbets, Douglas Farnham with Vermont Department of Taxes and Senator Clarkson who all support this proposal. This change could potentially save NBV more than \$10,000 which could be used elsewhere to continue to grow our business. Thank you again and if you have questions I am eager to answer them.