

**Current Use Tax Coalition's Position on H.237 and Relevant Current Use Issues**  
**Dated February 7, 2012**

The Current Use Tax Coalition has been meeting to discuss H.237 since August of 2010. The Coalition is made up of the following organizations, which have approved the position below.

CUTC Organizations in Support of this Platform:

Audubon Vermont  
Green Mountain Dairy Farmers  
Green Mountain Division Society of American Foresters  
NH/VT Christmas Tree Assoc.  
The Center for Northern Woodlands Education  
The Nature Conservancy  
VT All-Terrain Sportsman's Assoc.  
VT Coverts  
VT Farm Bureau  
VT Forest Products Association  
VT Land Trust  
VT Natural Resources Council  
VT State Grange  
VT Traditions Coalition  
VT Woodlands Association

**CUTC Position:**

The Current Use Tax Coalition supports strengthening the Land Use Change Tax to be based on a percentage of the full fair market value of the land being developed, with a tiered approach, decreasing the rate of the LUCT based on the number of years enrolled, such as 10%, 5%, and 3%, depending on whether the land has been enrolled for up to 12 years, 12 to 20 years, or for over 20 years.

The Current Use Tax Coalition supports the easy out options for whole parcel removal or partial removal subject to the existing land use change tax as articulated in Sections 6, 7 and 8 of H.237.

The Current Use Tax Coalition supports the formation of the current use study committee to examine the formula for the municipal reimbursement payments as articulated in Section 5 of H.237.

The Current Use Tax Coalition supports the continued exploration of the identified potential areas of additional legislative action as articulated in Section 5(d) of H.237. The CUTC has been studying many of the identified issues over the past year and believe two of the items are ripe for legislative action this year, while the rest should be studied in more detail with a report back due on or before December 1, 2012. The following deserve legislative action this year:

- 1) Requiring the Vermont Department of Property Valuation and Review to develop a consistent methodology or approach to the assessment of enrolled or conserved land in Vermont, including land permanently protected by conservation easements; and
- 2) Allowing an owner to relocate an undeveloped withdrawn site of two acres or less once within an enrolled parcel without incurring the land use change tax.

The Current Use Tax Coalition believes the provisions passed in last year's Miscellaneous Tax Bill amending the land use change tax to apply to the issuance of all permits legally required by a municipality for any action constituting development, or a potable water supply and wastewater permit system, should be repealed.