

1 S.169

2 Introduced by Senator Cummings

3 Referred to Committee on

4 Date:

5 Subject: Taxation; education property tax; overpayment; municipalities and
6 school districts; Secretary of Education

7 Statement of purpose of bill as introduced: This bill proposes to refund
8 education property tax overpayments made by the City of Barre in fiscal years
9 2016 to 2019 due to a miscalculation of the amount of tax increment to be
10 retained by the City from its Tax Increment Financing District Fund. This bill
11 also proposes to authorize the Secretary of Education to refund a municipality
12 or school district an overpayment of education property tax when the
13 overpayment was caused by error or miscalculation, provided the Secretary of
14 Education annually reports to the General Assembly all anticipated refunds to
15 municipalities or school districts prior to issuance.

16 An act relating to education property tax overpayments by a municipality or
17 school district

1 It is hereby enacted by the General Assembly of the State of Vermont:

2 Sec. 1. EDUCATION FUND REFUND; CITY OF BARRE TIF DISTRICT;
3 TAX INCREMENT; FY 2016–FY 2019

4 Notwithstanding 16 V.S.A. chapter 133 and any other provision of law to
5 the contrary, the sum of \$20,962.00 shall be transferred from the Education
6 Fund to the City of Barre not later than fiscal year 2023 to compensate the City
7 for overpayments of education property taxes in fiscal years 2016 to 2019 due
8 to insufficient retention of tax increment from the City's Tax Increment
9 Financing District Fund.

10 Sec. 2. 16 V.S.A. § 4011 is amended to read:

11 § 4011. EDUCATION PAYMENTS

12 (a) Annually, the General Assembly shall appropriate funds to pay for
13 statewide education spending and a portion of a base education amount for
14 each adult diploma student.

15 * * *

16 (c) Annually, each school district shall receive an education spending
17 payment for support of education costs. An unorganized town or gore shall
18 receive an amount equal to its adjusted education payment for that year for
19 each student based on the weighted average daily membership count, which
20 shall not be equalized. In fiscal years 2007 and after, no district shall receive
21 more than its education spending amount.

1 (d) Annually, on or before June 30, the Secretary may authorize refunds
2 from the Education Fund to a municipality or a school district for that
3 municipality’s or school district’s overpayments of the statewide education
4 property tax during the immediately preceding four fiscal years, provided the
5 overpayments were caused by clerical or administrative error or
6 miscalculation. Annually, on or before January 15, the Secretary of Education
7 shall report to the General Assembly all anticipated refunds to municipalities
8 or school districts under this subsection prior to issuance.

9 * * *

10 Sec. 3. 16 V.S.A. § 4025(b) is amended to read:

11 (b) Monies in the Education Fund shall be used for the following:

12 * * *

13 (6) To refund municipalities and school districts under subsection
14 4011(d) of this title for overpayments caused by clerical or administrative error
15 or miscalculation, as determined by the Secretary of Education.

16 Sec. 4. EFFECTIVE DATE

17 This act shall take effect on July 1, 2022.