

1 TO THE HONORABLE SENATE:

2 The Committee on Finance to which was referred Senate Bill No. 214
3 entitled “An act relating to valuation of time-share projects” respectfully
4 reports that it has considered the same and recommends that the bill be
5 amended by striking out all after the enacting clause and inserting in lieu
6 thereof the following:

7 Sec. 1. 32 V.S.A. § 5412(e) is amended to read:

8 (e) A reduction made under this section shall be an amount equal to the loss
9 in education grand list value multiplied by the tax rate applicable to the subject
10 property in the year the request is submitted. However, the total amount for all
11 reductions made under this section in one year shall not exceed ~~\$100,000.00~~
12 \$1,000,000.00. If total reductions for a calendar year would exceed this
13 amount, the Director shall instead prorate the reductions proportionally among
14 all municipalities eligible for a reduction so that total reductions equal
15 ~~\$100,000.00~~ \$1,000,000.00.

16 Sec. 2. 32 V.S.A. § 5413 is added to read:

17 § 5413. STATE APPRAISAL AND LITIGATION ASSISTANCE

18 PROGRAM

19 (a) A State appraisal and litigation assistance program shall be created
20 within the Division of Property Valuation and Review of the Department of
21 Taxes to assist municipalities with the valuation of complex commercial,

1 utility, or other unique properties within a municipality’s jurisdiction and to
2 assist with any appeals arising from those valuations. The Commissioner of
3 Taxes may contract with one or more commercial appraisers to provide State
4 appraisal and litigation assistance to municipalities under this section. The
5 Commissioner may adopt rules to administer the provisions of this section.

6 (b) The Commissioner shall:

7 (1) determine the conditions for a municipality to be eligible for State
8 assistance, including the grand list value or category of a property or other
9 relevant factors as determined by the Commissioner; and

10 (2) provide a process by which a municipality may apply for assistance
11 under this section.

12 (c) Any municipality assisted under this section shall be considered to have
13 followed best practices pursuant to subdivision 5412(a)(1)(D) of this title.

14 Sec. 3. 32 V.S.A. § 4041a(a) is amended to read:

15 (a) ~~A municipality shall be paid \$8.50 per grand list parcel per year from~~
16 ~~the Education Fund to be used only for reappraisal and costs related to~~
17 ~~reappraisal of its grand list properties and for maintenance of the grand list.~~

18 [Repealed.]

19 Sec. 4. 32 V.S.A. § 5405(f) is amended to read:

20 (f) Within the limits of the resources available for that purpose, the
21 Commissioner may employ such individuals, whether on a permanent,

1 temporary, or contractual basis, as shall be necessary, in the judgment of the
2 Commissioner, to aid in the performance of duties under this section. The
3 Commissioner shall pay each municipality the sum of ~~\$1.00~~ \$12.00 per grand
4 list parcel in the municipality for services provided to the Commissioner in
5 connection with the performance of duties under this section, for preparation of
6 the municipality's education property tax grand list, and for reappraisal and
7 costs related to reappraisal of the municipality's education property tax grand
8 list properties. Each municipality shall deposit payments received under this
9 subsection into a special fund that shall be used to support the preparation of
10 the municipality's education property tax grand list and reappraisals.

11 Sec. 5. COST ESTIMATE; NEW STATE PROGRAM

12 On or before January 15, 2023, the Commissioner of Taxes shall submit a
13 cost estimate for the creation of a new State appraisal and litigation assistance
14 program within the Division of Property Valuation and Review of the
15 Department of Taxes to the House Committees on Appropriations and on
16 Ways and Means and the Senate Committees on Appropriations and on
17 Finance. The cost estimate under this section shall include the upfront and
18 ongoing operating costs required to create, implement, and maintain a new
19 program, including contracting with one or more commercial appraisers to
20 provide State assistance to municipalities.

1 Sec. 6. REPORT; TIME-SHARE PROJECT VALUATION

2 On or before January 15, 2023, the Commissioner of Taxes shall submit a
3 report to the House Committee on Ways and Means and the Senate Committee
4 on Finance proposing options for addressing the complexities of valuing time-
5 share projects in this State. The report under this section shall include a review
6 of other states' time-share project valuation laws and an evaluation of the
7 feasibility of applying those formulas in Vermont. The report shall propose
8 any recommendations for legislative changes to clarify the valuation of time-
9 share projects.

10 Sec. 7. EFFECTIVE DATES

11 (a) This section and Secs. 3 (reappraisal per parcel fee), 4 (equalization per
12 parcel fee), 5 (cost estimate; new State program), and 6 (report; time-share
13 project valuation) shall take effect on passage.

14 (b) Sec. 1 (refund for reduction in grand list value) shall take effect on
15 January 1, 2023 and shall apply to municipal requests for reduction submitted
16 on or after January 1, 2023 for a final appeal or court action resolved within
17 the previous calendar year, beginning with the 2022 calendar year.

18 (c) Sec. 2 (State appraisal and litigation assistance program) shall take
19 effect on July 1, 2023, provided the General Assembly has, on or before July 1,
20 2023, appropriated funding to cover the Department of Taxes' operating costs

1 required to create, implement, and maintain a new State appraisal and litigation
2 assistance program.

3 and that after passage the title of the bill be amended to read: “An act
4 relating to valuation for purposes of the education property tax”

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12 (Committee vote: _____)

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Senator _____

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FOR THE COMMITTEE