

1 H.492

2 Introduced by Committee on Ways and Means

3 Date:

4 Subject: Taxation; education property tax; homestead yields; nonhomestead
5 rate

6 Statement of purpose of bill as introduced: This bill proposes to set the
7 property dollar and income dollar equivalent yields for the purpose of setting
8 homestead property tax rates and proposes to set the nonhomestead property
9 tax rate. This bill further proposes to reserve monies within the Education
10 Fund to offset property tax rate increases.

11 An act relating to setting the homestead property tax yields and the
12 nonhomestead property tax rate

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

14 Sec. 1. PROPERTY DOLLAR EQUIVALENT YIELD, INCOME

15 DOLLAR EQUIVALENT YIELD, AND NONHOMESTEAD

16 PROPERTY TAX RATE FOR FISCAL YEAR 2024

17 For fiscal year 2024 only:

18 (1) Pursuant to 32 V.S.A. § 5402b(b), the property dollar equivalent
19 yield shall be \$15,477.00.

1 (2) Pursuant to 32 V.S.A. § 5402b(b), the income dollar equivalent yield
2 shall be \$17,577.00.

3 (3) Notwithstanding 32 V.S.A. § 5402(a)(1) and any other provision of
4 law to the contrary, the nonhomestead property tax rate shall be \$1.388 per
5 \$100.00 of equalized education property value.

6 Sec. 2. EDUCATION FUND RESERVE; PROPERTY TAX RATE OFFSET

7 In fiscal year 2024, \$22,000,000.00 shall be reserved in the Education Fund
8 to offset education property tax rate increases in fiscal year 2025. The
9 Commissioner of Taxes shall assume that the \$22,000,000.00 reserved under
10 this section is unreserved and unallocated and applies to the calculation of the
11 fiscal year 2025 yields and nonhomestead rate when making the
12 recommendation required pursuant to 32 V.S.A. § 5402b on or before
13 December 1, 2023. The reserve created under this section shall be considered
14 an authorized use of Education Fund monies pursuant to 16 V.S.A. § 4025.

15 Sec. 3. EFFECTIVE DATE

16 This act shall take effect on July 1, 2023.