Side by Side: PTT Changes in S.311 Compared to H.829

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Current law: Property transfer tax is imposed at a rate of 1.25%. Principal residences are taxed at 0.5% for the first $100,000.00 of value and 0% of the first $110,000.00 of value if using a mortgage funded by VHCB/VHFA/USDARD. The last major change was in 1988.

Allocates PTT revenue: $2.5M to VHCB bond, then 2% to PVR for administration, then 50% to VHCTF, 17% to MRPF, and 33% to GF.

S.311	H.829
Increases the amount of value of a principal residence that is not taxed from $110,000.00 to **$150,000.00** if the residence is purchased with a mortgage funded by VHCB/VHFA/USDARD.	Increases the amount of value of a principal residence that is not taxed from $110,000.00 to **$200,000.00** if the residence is purchased with a mortgage funded by VHCB/VHFA/USDARD. Increases the amount of value taxed at a lower rate of 0.5% from $100,000.00 to $200,000.00 for all other principal residences.
Imposes a higher rate of 2.5% for purchases of residences that are not principal residences and will not be used for long-term rentals.	Imposes a higher rate of 3.65% on the value of property in excess of $750,000.00 in value.
Allocates additional revenue—70% to VHCTF and 30% to MRPF. Allocates $2M of revenue to Act 250 Permit Fund.	**FY2025:** Allocates additional revenue to the GF for housing appropriations. **FY 2026:** Allocates additional revenue to VHCTF and the GF. Keeps funding level the same for MRPF.
Generates approximately $13–14M in revenue. [Subject to revision]	Generates approximately $17.5M in revenue.
Summary: Provides tax relief to purchasers using a mortgage funded by VHCB/VHFA/USDARD and imposes additional tax on properties likely to be second homes.	**Summary**: Provides tax relief to all purchasers of principal residences and imposes additional tax on all property values greater than $750,000.00.