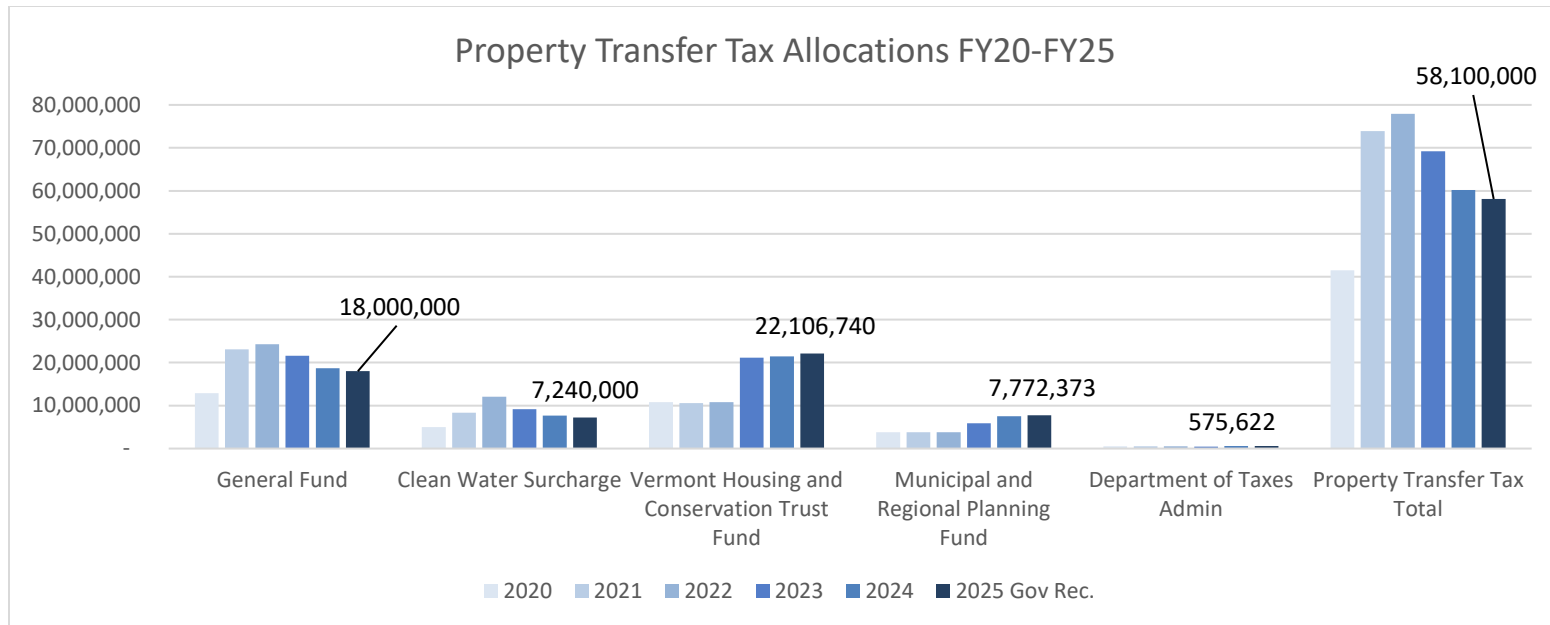


FY25 Property Transfer Tax Primer
Ted Barnett, Joint Fiscal Office
February 16, 2024

Type of Property	Value Taxed	0.5% Property Transfer Tax	1.25% Property Transfer Tax	0.2% Clean Water Surcharge
Not Principal Residence	All		✓	✓
Principal Residence	\$0-\$100,000	✓		
	Marginal Value > \$100,000		✓	✓
Principal Residence Purchased w/ VHFA, VCTF, or USDA Assistance	\$0-\$110,000			
	\$110,000 - \$200,000		✓	
	Marginal Value > \$200,000		✓	✓

Current statute (32 V.S.A. § 9602, 10 VSA § 312, 24 VSA § 4306, 32 VSA § 435) outlines the allocation of the Property Transfer Tax

- Prior to any distributions, \$2,500,000 to pay for housing bonds at the Vermont Housing Finance Authority
- Prior to any distributions, 2% deposited in a special fund for Property Valuation and Review administration costs.
- 50 % percent of the remaining revenues allocated to the Vermont Housing and Conservation Trust Fund administered by the Vermont Housing and Conservation Board
- 17% of the revenue from the Municipal and Regional Planning Fund, of which:
 - 10% to the Vermont Center for Geographic Information
 - 70% for contract with regional planning commissions
 - 20% disbursed to municipalities
- 33% to the General Fund
- In addition, the first \$1,000,000 in Clean Water Surcharge revenue is to be deposited in the Vermont Housing and Conservation Trust Fund



Source: JFO Analysis.

Proposed PTT Changes in S.311

	FY25 PTT Revenue - 2nd Residence 2.5 Percent	FY25 PTT Revenue - All Other	Total
Total PTT Revenue	27,000,000	36,430,000	63,430,000
Housing Bond			2,500,000
NRB			2,000,000
Department of Tax Admin			1,178,600
VHCB	16,200,000	15,380,000	31,580,000
MRPF	6,345,000	5,230,000	11,575,000
General Fund	4,455,000	10,150,000	14,605,000
Clean Water Surcharge*			8,240,000
Total Revenue Including Surcharge			71,678,600

*Per 32 VSA 9602(a) the first \$1,000,000 of the Clean Water Surcharge is to be deposited in the Vermont Housing and Conservation Trust fund