



**Colchester**  
VERMONT

781 Blakely Road • Colchester, Vermont • 05446 • 802.264.5500

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February 27, 2023

Senate Committee on Finance  
Attn: Senator Ann Cummings, Chair  
115 State St.  
Montpelier, VT 05633-5301

Dear Chair Cummings,

On behalf of the Town of Colchester, I'd like to thank you and the Senate Finance Committee for taking up discussion of the S.60 bill on local option tax introduced by Senators Chittenden and Ram Hinsdale. It would be very helpful in yearly budgeting and planning to allow municipalities more access to tax data regarding local option tax revenues.

We are in full support of this bill, as 16 communities representing 23% percent of the population in VT have access to the local option tax, and it is fair that all communities should have this access with approval of their community voters. Additionally, it is important for municipalities to be able to estimate the LOT for revenue projections, and it is helpful and reasonable to allow one person per town to have the availability to access the information and maintain confidentiality.

Since a Local Option Sales Tax was adopted by Colchester in 2015 it has been dedicated to making payments on voter-approved debt — debts that were previously paid by property taxes — which has benefited the Town by alleviating the debt burden from our municipal property taxes for our residents and businesses. With easier and confidential access to LOT information, we hope that other towns can benefit as well and continue efficient LOT revenue planning and use.

Sincerely,

Aaron Frank, Town Manager

Cc: Senator Dick Mazza and Colchester Selectboard