

H.774

Introduced by Representatives Galfetti of Barre Town, Bosch of Clarendon,
Boutin of Barre City, Burditt of West Rutland, Burt of Cabot,
Casey of Hubbardton, Coffin of Cavendish, Dobrovich of
Williamstown, Gregoire of Fairfield, Hango of Berkshire, Labor
of Morgan, Luneau of St. Albans City, Maguire of Rutland
City, McFaun of Barre Town, Micklus of Milton, Morgan, L. of
Milton, Morgan, M. of Milton, Morrissey of Bennington, North
of Ferrisburgh, Pritchard of Pawlet, and Tagliavia of Corinth

Referred to Committee on

Date:

Subject: Taxation and finance; education property tax; statewide education tax
rate; homestead rate; nonhomestead rate

Statement of purpose of bill as introduced: This bill proposes to cap education
property tax rates at fiscal year 2026 levels for fiscal years 2027 through 2029.

An act relating to a three-year education property tax freeze

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

Sec. 1. INTENT; THREE-YEAR EDUCATION PROPERTY TAX FREEZE

It is the intent of the General Assembly to cap education property tax rates
at fiscal year 2026 levels for fiscal years 2027 through 2029. It is further the

1 intent of the General Assembly to offset any resulting deficit in the Education
2 Fund with monies from the General Fund to ensure that statewide education
3 spending is fully funded for the duration of the education property tax freeze.

4 Sec. 2. EDUCATION PROPERTY TAX FREEZE; FYS 2027–2029

5 Notwithstanding 32 V.S.A. § 5402, in each of fiscal years 2027 through
6 2029, the Commissioner of Taxes shall bill a property taxpayer in a
7 municipality at the lesser of:

8 (1) the homestead or nonhomestead rate, as applicable, determined for
9 the municipality pursuant to 32 V.S.A. § 5402(b)(1) for fiscal year 2026; or

10 (2) the homestead or nonhomestead rate, as applicable, determined for
11 the municipality pursuant to 32 V.S.A. § 5402(b)(1) for that fiscal year.

12 Sec. 3. EFFECTIVE DATE

13 This act shall take effect on July 1, 2026.