

1 Introduced by Committee on Ways and Means

2 Date:

3 Subject: Taxation; property valuation; education property tax; municipal
4 property tax

5 Statement of purpose of bill as introduced: This bill proposes to create a
6 system for statewide property reappraisals based on regional assessment
7 districts. The Division of Property Valuation and Review would oversee
8 reappraisals in the regional assessment districts and local listers and assessors
9 would continue to conduct regular grand list maintenance at the municipal
10 level.

11 An act relating to a statewide property assessment system

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

13 * * * Establishment of Regional Assessment Districts * * *

14 Sec. 1. 32 V.S.A. chapter 121, subchapter 1A is added to read:

15 Subchapter 1A. Statewide Property Assessment

16 § 3415. LEGISLATIVE INTENT

17 It is the intent of the General Assembly in adopting this subchapter to create
18 regional assessment districts so that:

19 (1) property values on municipal grand lists are kept up-to-date and
20 accurate;

1 (2) property data collection is consistent and standardized across the
2 State; and

3 (3) property valuation is conducted by professional staff.

4 § 3416. REGIONAL ASSESSMENT DISTRICTS; ESTABLISHMENT

5 (a) There are hereby established 12 regional assessment districts, which
6 shall be fully reappraised every six years.

7 (b) There shall be one regional assessment district in each county, except
8 that Franklin and Grand Isle counties shall constitute one district and Essex
9 and Orleans counties shall constitute one district.

10 (c) The Division of Property Valuation and Review shall assign one
11 employee to be a district advisor to each regional assessment district, who shall
12 facilitate contracting for full reappraisals of the district and ensure municipal
13 grand lists are maintained accurately and are consistent with other regional
14 assessment district jurisdictions, including the valuation of utilities, the
15 application of property tax exemptions, and the correct standard classification
16 and categorization of parcels.

17 (1) A district advisor may order a municipal lister or assessor to modify
18 a municipal grand list as they see fit to uphold any requirements issued by the
19 Division or required by Vermont law.

1 (2) A district advisor shall provide training and technical support to the
2 municipalities in a regional assessment district and administrative support to
3 the regional board of civil authority in the district advisor’s jurisdiction.

4 § 3417. STANDARD GUIDELINES AND PROCEDURES

5 (a) The Director of Property Valuation and Review shall establish standard
6 guidelines and procedures for regional assessment districts, including:

7 (1) rules for contracting with third parties to conduct or assist with
8 reappraisals, including standard reappraisal contract terms;

9 (2) standards for the collection and recordation of parcel data; and

10 (3) requirements relating to information technology, including standards
11 for data software contracts and computer-assisted mass appraisal systems.

12 (b) The Director of Property Valuation and Review shall establish a
13 schedule for each regional assessment district so that it will conduct a full
14 reappraisal of every municipality in its jurisdiction every six years. The
15 Director may alter a regional assessment district’s reappraisal schedule at the
16 Director’s discretion.

17 (c) On or before February 1 of each year, the Division of Property
18 Valuation and Review of the Department of Taxes shall furnish the regional
19 assessment districts for each municipality with the valuation of all taxable
20 property of any public utility in the district’s jurisdiction as reported by that
21 utility to the Division.

1 (1) Each public utility shall furnish to the Division not later than
2 December 31 in each year a sworn inventory of all its taxable property in such
3 form as will show the valuation of its property in each town, city, or other
4 municipality.

5 (2) The Division shall prescribe the form of the report and the officer or
6 officers who shall attest to the accuracy of the information reported.

7 (3) The valuations furnished under this section shall be considered along
8 with any other information as may reasonably be required by listers in
9 determining and fixing the valuations of property for the purposes of property
10 taxation. The Division may require that a lister use certain valuations
11 furnished under this section. The valuations provided by the Division for
12 property used for the transmission and distribution of electricity shall be used
13 by a district as the valuations of that property for purposes of property taxation.

14 § 3418. REGIONAL BOARD OF CIVIL AUTHORITY; ESTABLISHMENT

15 (a) There are hereby established 12 regional boards of civil authority, each
16 sharing a jurisdiction with one regional assessment district established under
17 section 3416 of this chapter.

18 (b) All municipalities within the jurisdiction of a regional board of civil
19 authority shall be considered members of the board. A regional board of civil
20 authority shall contain at least one representative appointed from the board of
21 civil authority of each member municipality and representatives shall be

1 appointed for a term of three years by the legislative body of such
2 municipality. All representatives may be compensated and reimbursed by their
3 respective municipalities for necessary and reasonable expenses.

4 (c) A regional board of abatement shall elect an executive board of five
5 members to facilitate meetings and oversee operations. The executive board
6 shall have a chair, vice chair, secretary, and any other position deemed
7 necessary by a majority vote of the executive board.

8 (d) All meetings to hear and determine appeals under section 3419 of this
9 chapter shall be held in accordance with 3 V.S.A. chapter 25.

10 § 3419. APPEALS TO REGIONAL BOARD OF CIVIL AUTHORITY

11 (a) Within 30 days following the date of notice, a person aggrieved by the
12 decision of the listers under the provisions of section 4221 of this title, or a
13 reappraisal conducted pursuant to section 3416 of this chapter, may appeal in
14 writing to the district's regional board of civil authority.

15 (1) The regional board of civil authority shall schedule meetings to hear
16 and determine appeals made under this subsection not later than 14 days after
17 the last date allowed for notice of appeal. Notice of the time and place of the
18 hearing shall be given by posting a warning in three or more public places in
19 each municipality in the district's jurisdiction and by mailing a copy of such
20 warning to the legislative bodies of such municipalities and to all appellants.

1 (2) When conducting a hearing under this subsection, the regional board
2 of civil authority shall issue a written determination addressing all questions
3 and objections heard. A written determination shall only be issued if approved
4 by a majority of those representatives present and voting. The property subject
5 to appeal shall be inspected internally and externally by a committee of not less
6 than three members of the board and an inspection report shall be issued within
7 30 days following the hearing on appeal and before a final determination is
8 issued.

9 (A) The appellant shall be provided notice of the inspection and the
10 appeal shall be deemed withdrawn if the appellant refuses to allow an
11 inspection under this subdivision (2).

12 (B) During a declared state of emergency under 20 V.S.A. chapter 1,
13 a regional board of civil authority working within a municipality affected by an
14 all-hazards event shall not be required to physically inspect any property that is
15 the subject of an appeal. If the appellant requests in writing that the property
16 be inspected for purposes of the appeal, the board shall conduct the inspection
17 through electronic means. If the appellant does not facilitate the inspection
18 through electronic means, the appeal shall be deemed withdrawn. As used in
19 this subdivision (B), “electronic means” means the transmittal of video or
20 photographic evidence by the appellant at the direction of the staff conducting
21 the inspection.

1 (3) The regional board of civil authority shall, within 15 days from the
2 time of the inspection report, issue the written determination and shall file it
3 with the clerk of the municipality in which the underlying property is located
4 and the Director of Property Valuation and Review. At the same time, the
5 board shall send a copy of the determination by certified mail to the appellant.
6 Thereupon, the grand list shall be amended pursuant to the written
7 determination.

8 (4) Notwithstanding any provision of law to the contrary, if the regional
9 board of civil authority does not substantially comply with the requirements of
10 this subsection, and if the appeal is not withdrawn by filing written notice of
11 withdrawal with the board, or deemed withdrawn as provided in subdivision
12 (2) of this subsection, the grand list value of the property subject to appeal
13 shall remain at the amount set before the appealed change was made by the
14 listers; except, if there has been a complete reappraisal, the grand list value of
15 the property shall be set at a value that will produce a tax liability equal to the
16 tax liability for the preceding year.

17 (b) For an appraisal made other than January 1, within 30 days after the
18 date of mailing of notice required under section 4046 of this title, a person
19 aggrieved by a decision of the listers under the provisions of section 4046 of
20 this title may appeal pursuant to subsection (c) of this section.

1 (c) Within 14 days after the date of notice thereof, a person aggrieved by
2 the final decision of the listers under the provisions of sections 4112–4116 and
3 4222–4224 of this title may appeal therefrom and shall file objections in
4 writing with the applicable regional board of civil authority, which shall hold a
5 hearing not later than 14 days after the last date allowed for notice of appeal.
6 Notices in writing of such appeal and of the time and place of such hearing
7 shall be sent by certified mail to the appellant.

8 (1) The regional board of civil authority shall hear such appellants as
9 appear in person or by agents or attorneys until all such objections have been
10 heard and considered. All objections filed in writing with the regional board of
11 civil authority at or prior to the time fixed for hearing appeals shall be
12 determined by the board, notwithstanding that the person filing the objections
13 fails to appear in person or by agent or attorney.

14 (2) The regional board of civil authority may increase, reduce, or sustain
15 an appraisal made by the listers. The regional board of civil authority shall
16 issue a written determination pursuant to this subdivision and shall file it with
17 the clerk of the municipality in which the underlying property is located and
18 the Director of Property Valuation and Review. At the same time, the
19 Assessment Supervisor shall send a copy of the determination by certified mail
20 to the appellant. Thereupon, the grand list shall be amended pursuant to the
21 written determination.

1 (3) When all appeals have been determined pursuant to this subsection,
2 the listers shall amend or correct the grand list to conform to such abstracts,
3 shall complete the grand list for the municipality, shall attest to the best of their
4 knowledge that the grand list contains a true statement of the listed value of all
5 taxable property within the municipality under the pains and penalties of
6 perjury, and shall affix thereto a certificate setting forth their doings in respect
7 thereof and the date whereon such grand list was so amended.

8 (4) If an appeal is pending and undetermined at the time the grand list is
9 required to be complete pursuant to section 4151 of this title, the appeal shall
10 be determined as soon as possible thereafter. The regional board of civil
11 authority determining the appeal shall file the determination with the clerk of
12 the municipality in which the underlying property is located and the Director
13 of Property Valuation and Review. Thereupon, the grand list shall be amended
14 pursuant to the written determination.

15 § 3420. APPEALS TO DIRECTOR OR TO SUPERIOR COURT

16 (a) A taxpayer or the selectboard members of a municipality aggrieved by a
17 written determination of a regional board of civil authority under section 3419
18 of this chapter may appeal the determination to either the Director or the
19 Superior Court of the county in which the property is located. The appeal to
20 the Superior Court shall be heard without a jury. The appeal to either the
21 Director or the Superior Court shall be commenced by filing a notice of appeal

1 pursuant to Rule 74 of the Vermont Rules of Civil Procedure within 30 days
2 after entry of the decision of the regional board of civil authority. The date of
3 mailing of notice of the board’s determination to the taxpayer shall be deemed
4 the date of entry of the Supervisor’s determination. The regional board of civil
5 authority shall transmit a copy of the notice to the Director or to the Superior
6 Court as indicated in the notice and shall forward the notice to the applicable
7 municipal clerk, who shall record or attach a copy of the notice in the grand list
8 book. The entry fee for an appeal to the Director is \$70.00; provided,
9 however, that the Director may waive, reduce, or refund the entry fee in cases
10 of hardship or to join appeals regarding the same parcel. If, in the opinion of
11 the Commissioner, an appeal under this subsection involves a complex or
12 unique property or valuation that would be best adjudicated by the Superior
13 Court, the Commissioner may decline to hear the appeal and shall forward the
14 appeal to the Superior Court where it shall be heard. An appeal forwarded by
15 the Commissioner under this subsection shall be considered timely filed in the
16 Superior Court if it was timely appealed to the Director.

17 (b) On or before the last day on which appeals may be taken from the
18 determination of the regional board of civil authority, an agent designated by
19 the legislative body of the municipality, in the name of the municipality, on
20 written application of one or more taxpayers of the municipality whose
21 combined grand list represents at least three percent of the grand list of the

1 municipality for the preceding year, shall appeal to the Superior Court from
2 any action of the regional board of civil authority not involving appeals of the
3 applying taxpayers. However, the agent designated by the legislative body
4 shall, in any event, have at least six business days after receipt of such
5 taxpayers' application for appeal in which to take the appeal, and the date for
6 the taking of such appeal shall accordingly be extended, if necessary, until the
7 six business days shall have elapsed. The \$70.00 entry fee shall be paid by the
8 applicants with respect to each individual property thus being appealed that is
9 separately listed in the grand list. Fees collected under subsection (a) of this
10 section or this subsection shall be credited to a special fund established and
11 managed pursuant to chapter 7, subchapter 5 of this title and shall be available
12 to the Department of Taxes to offset the costs of providing those services.

13 (c) When a taxpayer, an agent designated by the legislative body of the
14 town, or selectboard claims that an appeal to the Director is in any manner
15 defective or was not lawfully taken, on or before 14 days after mailing of the
16 notice of appeal by the regional assessment district under Rule 74(b) of the
17 Vermont Rules of Civil Procedure, the taxpayer, agent, or selectboard shall file
18 objections in writing with the Director and furnish the appellant or appellant's
19 attorney with a copy of the objections. When the taxpayer, agent, or
20 selectboard so requests, the Director shall thereupon fix a time and place for
21 hearing the objections and shall notify all parties thereof, by mail or otherwise.

1 Upon hearing or otherwise, the Director shall pass upon the objections and
2 make such order in relation thereto as is required by law. The order shall be
3 recorded or attached in the municipal clerk’s office in the book wherein the
4 appeal is recorded.

5 (d) On application to the Director, an appellant may request leave to
6 withdraw the appellant’s appeal at any time before it is heard. When an appeal
7 is withdrawn, the Director shall certify the withdrawal to the clerk of the
8 municipality in which the underlying property is located, and the clerk shall
9 record the certificate of withdrawal of the appeal. At the same time, the
10 Director shall notify the applicable regional board of civil authority. The
11 appraisal from which the appeal was taken shall then become a part of the
12 appraisal or grand list of the taxpayer.

13 (e) When an appeal to the Director is not withdrawn or forwarded by the
14 Director to Superior Court pursuant to subsection (a) of this section, the
15 Commissioner of Taxes shall conduct a hearing in accordance with 3 V.S.A.
16 chapter 25.

17 (f) Upon appeal to the Director or the court, the Department or court shall
18 proceed de novo and determine the correct valuation of the property as
19 promptly as practicable and to determine a homestead and a housesite value if
20 a homestead has been declared with respect to the property for the year in
21 which the appeal is taken. The Department or court shall take into account the

1 requirements of law as to valuation and the provisions of Chapter I, Article 9
2 of the Constitution of Vermont and the 14th Amendment to the U.S.
3 Constitution.

4 (1) If the Commissioner or court finds that the listed value of the
5 property subject to appeal does not correspond to the listed value of
6 comparable properties within the town, the Commissioner or court shall set the
7 property in the list at a corresponding value. The findings and determinations
8 of the Commissioner shall be made in writing and shall be available to the
9 appellant.

10 (2) If the appeal is taken to the Director, the Commissioner may order
11 an inspection of the property prior to making a determination. If one of the
12 parties requests an inspection, the Commissioner shall order an inspection of
13 the property prior to making a determination. Within 10 days following the
14 appeal being filed with the Director, the Commissioner shall notify the
15 property owner in writing of the Commissioner's option to request an
16 inspection under this section.

17 (3) During a declared state of emergency under 20 V.S.A. chapter 1, the
18 Commissioner shall not be required to have any property subject to appeal to
19 be physically inspected. If the appellant requests in writing that the property
20 be inspected for purposes of the appeal, the Commissioner shall conduct the
21 inspection through electronic means. If the appellant does not facilitate the

1 inspection through electronic means, then the appeal shall be deemed
2 withdrawn. As used in this subdivision, “electronic means” means the
3 transmittal of video or photographic evidence by the appellant at the direction
4 of the person conducting the inspection.

5 (g) The Director or clerk of the court shall forward by certified mail one
6 copy of the determination to the taxpayer, one copy to the applicable regional
7 board of civil authority, and one copy to the town clerk, who shall record the
8 same in the book in which the appeal was recorded under subsection (a) of this
9 section. The appraisal so fixed by the Commissioner or court shall become the
10 basis for the grand list of the taxpayer for the year in which the appeal is taken
11 and, if the appraisal relates to real property, for the two next ensuing years,
12 except that if the real property is enrolled in use value appraisal under chapter
13 124 of this title, the value of enrolled land, prior to its being equalized, shall be
14 the per-acre value set annually by the Current Use Advisory Board multiplied
15 by the number of acres enrolled. The appraisal, however, may be changed in
16 the ensuing two years if the taxpayer’s property is materially altered, changed,
17 damaged, or if the municipality, city, or town in which it is located has
18 undergone a complete revaluation of all taxable real estate.

19 * * * Reappraisal Funding and Grand List Date * * *

20 Sec. 2. 32 V.S.A. § 4041a is amended to read:

21 § 4041a. REAPPRAISAL

1 (a) ~~A municipality~~ The Division of Property Valuation and Review shall be
2 paid \$8.50 per grand list parcel per year from the General Fund to be used ~~only~~
3 for reappraisal ~~and~~, costs related to reappraisal of ~~its~~ grand list properties, and
4 for maintenance of the grand list.

5 (b) ~~If the Director of Property Valuation and Review determines that a~~
6 ~~municipality's education grand list has a coefficient of dispersion greater than~~
7 ~~20 or that a municipality has not timely reappraised pursuant to subsection (d)~~
8 ~~of this section, the municipality shall reappraise its education grand list~~
9 ~~properties. If the Director orders a reappraisal, the Director shall send the~~
10 ~~municipality written notice of the decision. The municipality shall be given 30~~
11 ~~days to contest the finding under procedural rules adopted by the Director or to~~
12 ~~develop a compliance plan, or both. If the Director accepts a proposed~~
13 ~~compliance plan submitted by the municipality, the Director shall not order~~
14 ~~commencement of the reappraisal until the municipality has had one year to~~
15 ~~carry out that plan. [Repealed.]~~

16 (c) ~~If a municipality fails to submit an acceptable plan or fails to carry out~~
17 ~~the plan, pursuant to subsection (b) of this section, the State shall withhold the~~
18 ~~education, transportation, and other funds from the municipality until the~~
19 ~~Director certifies that the town has carried out that plan. [Repealed.]~~

20 (d) ~~Each municipality shall commence a full reappraisal not later than six~~
21 ~~years after the commencement of the municipality's most recent full~~

1 ~~reappraisal unless a longer period of time is approved by the Director.~~

2 [Repealed.]

3 (e) ~~The Director shall adopt rules necessary for administration of this~~
4 ~~section.~~ [Repealed.]

5 Sec. 3. 32 V.S.A. § 5405 is amended to read:

6 § 5405. DETERMINATION OF EQUALIZED EDUCATION PROPERTY

7 TAX GRAND LIST AND COEFFICIENT OF DISPERSION

8 (a) Annually, on or before ~~April~~ January 1, the Commissioner shall
9 determine the equalized education property tax grand list and coefficient of
10 dispersion for each municipality in the State; provided, however, that for
11 purposes of equalizing grand lists pursuant to this section, the equalized
12 education property tax grand list of a municipality that establishes a tax
13 increment financing district shall include the fair market value of the property
14 in the district and not the original taxable value of the property, and further
15 provided that the unified towns and gores of Essex County may be treated as
16 one municipality for the purpose of determining an equalized education
17 property grand list and a coefficient of dispersion, if the Director determines
18 that all such entities have a uniform appraisal schedule and uniform appraisal
19 practices.

20 (b) The sum of all municipal equalized education property tax grand lists
21 shall be the equalized education property tax grand list for the State.

1 (c) In determining the fair market value of property that is required to be
2 listed at fair market value, the Commissioner shall take into consideration
3 those factors required by section 3481 of this title. The Commissioner shall
4 value property as of ~~April~~ January 1 preceding the determination and shall take
5 account of all homestead declaration information available before October 1
6 each year.

7 (d) Any determination of fair market value made by the Commissioner
8 under this section shall be based upon such methods as, in the judgment of the
9 Commissioner and in view of the resources available for that purpose, shall be
10 appropriate to support that determination. If the common level of appraisal is
11 calculated using the weighted mean of ratios, any outlier shall be carefully
12 reviewed and deleted if it will significantly affect the weighted mean,
13 particularly if the outlier is a high-value property.

14 (e) Individual appraisals performed by the Division of Property Valuation
15 and Review may be used to supplement actual sales when necessary to obtain a
16 representative sample.

17 (f) Within the limits of the resources available for that purpose, the
18 Commissioner may employ such individuals, whether on a permanent,
19 temporary, or contractual basis, as shall be necessary, in the judgment of the
20 Commissioner, to aid in the performance of duties under this section. The
21 Commissioner shall pay each municipality the sum of \$1.00 per grand list

1 parcel in the municipality for services provided to the Commissioner in
2 connection with the performance of duties under this section. Each
3 municipality shall deposit payments received under this subsection into a
4 special fund that shall be used to support the preparation of the education
5 property tax grand list.

6 (g) The Commissioner shall provide to municipalities for the front of
7 property tax bills the district homestead property tax rate before equalization,
8 the nonresidential tax rate before equalization, and the calculation process that
9 creates the equalized homestead and nonhomestead tax rates. The
10 Commissioner shall further provide to municipalities for the back of property
11 tax bills an explanation of the common level of appraisal, including its origin
12 and purpose.

13 * * * Grievances * * *

14 Sec. 4. 32 V.S.A. § 4221 is amended to read:

15 § 4221. TIME AND NOTICE OF HEARINGS

16 On or before May 20, the listers shall meet at the place so designated by
17 them and on that day and from day to day thereafter shall hear persons
18 aggrieved by their appraisals or by any of their acts until all questions and
19 objections are heard and decided. Listers and assessors shall add to the
20 aforesaid abstract certificates setting forth such corrections ~~therein~~ as they shall
21 determine and shall forward to each taxpayer a copy of any ~~certificate~~

1 modification relating to ~~his or her~~ the taxpayer's list. Such hearings shall not
2 be held later than June 2.

3 * * * Repeals * * *

4 Sec. 5. REPEALS

5 (a) 2023 Acts and Resolves No. 68, Secs. 8 (32 V.S.A. § 4052) and 10(3)
6 are repealed on passage.

7 (b) 32 V.S.A. chapter 131 (appeals) is repealed on January 1, 2027.

8 * * * Transition to Regional Assessment Districts * * *

9 Sec. 6. TRANSITION

10 (a) On or before X, every clerk of a municipality holding unexpended
11 funds received under 32 V.S.A. § 4041a shall transfer those funds to the
12 Division of Property Valuation and Review to contract for reappraisals in the
13 regional assessment districts.

14 (b) Notwithstanding 32 V.S.A. § 4041a or any other provision of law to the
15 contrary:

16 (1) a municipality required by law to reappraise its education grand list
17 properties shall not be required to conduct the reappraisal;

18 (2) the Director of Property Valuation and Review shall revoke any
19 existing reappraisal orders; and

20 (3) the Director of Property Valuation and Review shall not order any
21 new reappraisals of grand list properties before January 1, 2027.

