

VALA RECOMENDS ONE TAX RATE CLASSIFICATION

Any determination of the intent to use a property or a portion of the property would be speculation and would create a situation of unfairly taxing properties based on undefendable assumptions.

Page 1 line 16 and Page 2 line 9-10

10) A separate column listing the number of dwellings, as defined by 17 the Commissioner and pursuant to subdivision 4152a(c)(1) of this title.

(3) A brief description of each parcel of taxable real estate in the town, including a classification assigned pursuant to section 4152a of this title.

- The printed Grand List has limited space.
- Printed GL must be kept perpetuity
- The more information listed on the printed GL will take up space making the GL book larger ultimately taking up the limited space in a Towns vault.
- This will require new programming not just in NEMRC, but in VTPie as well.
- Properties with multiple dwellings will require excessive space.
 - Apartment complexes, Farms, Colleges.

PARCEL INFORMATION		TAXABLE VALUATIONS / EXEMPTIONS / CONTRACTS		
		MUNICIPAL	HOMESTEAD	NONHOMESTEAD
458 E138 LLC				
C/O B HOME MANAGEMENT LLC				
1026 BROADWAY, MBX 12		TOTAL REAL	84,300	84,300
BROOKLYN NY 11221		SPEC EXEMPTION		0
LOCA A: TR-1				
LOCA B:				
PARCEL ID: 001-0-6207 SPAN: 594-187-10451				
HOUSESITE: 0 ACRES: 122.50 W NS		GRAND LIST	843.00	843.00
ABELMAN LAURENCE J & LORI A		MUNICIPAL	HOMESTEAD	NONHOMESTEAD
757 NORTHAM RD	HMSTD FILED			
SHREWSBURY VT 05738		TOTAL REAL	432,300	432,300
LOCA A: TR-2		SPEC EXEMPTION		0
LOCA B:				
PARCEL ID: 002-2-0757 SPAN: 594-187-10001				
HOUSESITE: 396,300 ACRES: 10.00 R2 T		GRAND LIST	4,323.00	4,323.00
ABRAHAMS MARIA B		MUNICIPAL	HOMESTEAD	NONHOMESTEAD
759 PEACHTREE LANE				

Page 2 lines 11-12

“Parcel” means all contiguous land in the same ownership, together with all improvements thereon.

- VALA believes that contiguous parcels should be listed separately on the GL except for Current Use purposes.
- Combining parcels does not represent the Fair Market Value (FMV).
 - To value properties to FMV the Highest and Best Use (HBU) must be considered.
 - Contiguous parcels may have different HBU uses requiring different assessment.
 - This in turn affects the assessment and the CLA and the COD.

4152a. PROPERTY TAX CLASSIFICATIONS

Establishment. The grand list of a town shall include one or more tax classifications for each parcel of real estate.

- HBU must be considered when appraising property.
- The HBU sets a defendable benchmark that all properties can be measured.
- An owner has the right to use their property given State and local regulation as they wish, If we were to assess properties as they are used and not at their HBU we would lose equity in the assessments creating an unfair tax base.
- When setting tax rates, as soon as we set a different tax rate based on the assumption of what a property owners’ intent may be, we lose the equity in the property tax.

One tax rate classification

Page 3 line 1-4

“classification on or before June 1 of every year, using information submitted to 2 the Department of Taxes pursuant to this section.

- Having multiple tax rates based on a property owner’s intent to use the property must be regulated by the State Tax department.

- Towns do not have the authority or the capacity to collect data on a property owner's intent to use a property.
- Any determination of the intent to use a property or a portion of the property would be speculation and would create a situation of unfairly taxing properties based on undefendable assessment assumptions.
- The only possible way to have multiple tax rates for the property education tax is to have all property owners file yearly with the State when filing their Homestead declaration.

Tax Bills and Software Upgrades

Confusion on the tax bill should be considered. Of the many questions we receive in a Lister's office, confusion on reading a tax bill is a repetitive one.

The added rate would require updating the tax bill to include a third column and would farther crowd an already crowded bill.

Description: 10.1 ACRES & DWL		HOUSESITE TAX INFORMATION																																																											
Location: [REDACTED]		SPAN # [REDACTED] SCL CODE: 159																																																											
OWNER [REDACTED]		TOTAL PARCEL ACRES 10.10 HOUSESITE VALUE 451,200 HOUSESITE EDUCATION TAX 5,793.86 HOUSESITE MUNICIPAL TAX 3,087.11 HOUSESITE TOTAL TAX 8,880.97 FOR INCOME TAX PURPOSES																																																											
ASSESSED VALUE		HOMESTEAD		NONHOMESTEAD																																																									
REAL 514,600		479,400		35,200																																																									
TOTAL TAXABLE VALUE 514,600		479,400		35,200																																																									
GRAND LIST VALUES 5,146.00		4,794.00		352.00																																																									
<table border="1"> <thead> <tr> <th colspan="2">MUNICIPAL TAXES</th> <th colspan="2">EDUCATION TAXES</th> </tr> <tr> <th>TAX RATE NAME</th> <th>TAX RATE X GRAND LIST =</th> <th>TAX RATE NAME</th> <th>TAX RATE X GRAND LIST =</th> </tr> </thead> <tbody> <tr> <td>Municipal</td> <td>0.6812 x5,146.00= 3,505.44</td> <td>HOMESTEAD EDUCATION</td> <td>1.2841 x4,794.00= 6,155.98</td> </tr> <tr> <td>Local Agreement</td> <td>0.0020 x5,146.00= 15.44</td> <td>1.8500 (district rate) / 142.51% (CLA + SA) = 1.2841</td> <td></td> </tr> <tr> <td></td> <td></td> <td>NON HOMESTEAD EDUCATION</td> <td>1.1950 x352.00= 420.64</td> </tr> <tr> <td></td> <td></td> <td>1.7050 (state rate) / 142.51% (CLA + SA) = 1.1950</td> <td></td> </tr> <tr> <td colspan="2" style="text-align: center;">Payments</td> <td colspan="2" style="text-align: center;">TOTAL EDUCATION TAX 6,576.62</td> </tr> <tr> <td colspan="2" style="text-align: center;">1 10/31/2025</td> <td colspan="2" style="text-align: center;">EDUCATION STATE PAYMENT</td> </tr> <tr> <td colspan="2"></td> <td colspan="2" style="text-align: center;">EDUCATION NET TAX DUE</td> </tr> <tr> <td colspan="2"></td> <td colspan="2" style="text-align: center;">TAX SUMMARY</td> </tr> <tr> <td colspan="2"></td> <td colspan="2" style="text-align: center;">Municipal + Education</td> </tr> <tr> <td colspan="2" style="text-align: center;">TOTAL MUNICIPAL TAX 3,520.00</td> <td colspan="2" style="text-align: center;">TOTAL TAX 10,097.50</td> </tr> <tr> <td colspan="2" style="text-align: center;">MUNICIPAL STATE PAYMENT</td> <td colspan="2" style="text-align: center;">TOTAL STATE PAYMENT</td> </tr> <tr> <td colspan="2" style="text-align: center;">MUNICIPAL NET TAX DUE</td> <td colspan="2" style="text-align: center;">TOTAL NET TAX DUE</td> </tr> </tbody> </table>						MUNICIPAL TAXES		EDUCATION TAXES		TAX RATE NAME	TAX RATE X GRAND LIST =	TAX RATE NAME	TAX RATE X GRAND LIST =	Municipal	0.6812 x5,146.00= 3,505.44	HOMESTEAD EDUCATION	1.2841 x4,794.00= 6,155.98	Local Agreement	0.0020 x5,146.00= 15.44	1.8500 (district rate) / 142.51% (CLA + SA) = 1.2841				NON HOMESTEAD EDUCATION	1.1950 x352.00= 420.64			1.7050 (state rate) / 142.51% (CLA + SA) = 1.1950		Payments		TOTAL EDUCATION TAX 6,576.62		1 10/31/2025		EDUCATION STATE PAYMENT				EDUCATION NET TAX DUE				TAX SUMMARY				Municipal + Education		TOTAL MUNICIPAL TAX 3,520.00		TOTAL TAX 10,097.50		MUNICIPAL STATE PAYMENT		TOTAL STATE PAYMENT		MUNICIPAL NET TAX DUE		TOTAL NET TAX DUE	
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Software upgrades in NEMRC and VTPie would need to be considered to print new information on the tax bills.

There are multiple steps that create error in the tax billing. Adding a classification rate will increase the chances of errors on one's tax bill.

Page 6 line13 - 14

“Underlying land shall be classified proportionally based on the same percentage as the floor space of the buildings.”

VALA is opposed to the portal taxation of land based on a buildings percentage of use.

- Land is assessed at the properties HBU.
- Most land in Vermont is assessed using the principal of economies of scale on one land curve per parcel.
- This would require separate assessments for separate uses of the building that would have to be reassessed every year as the percentage of the buildings use changes.
- Depending on use this could effect the assessment of the land separating the HBU standard form the assessed value.
- Percentage of a property owner's intended use of a buildings use does not mean the land us used for that same intended use.

Page 7 line 8 - 10

“Use value appraisal. Nothing in this section shall be construed to alter the tax treatment or enrollment eligibility of property as it relates to use value appraisal under chapter 124 of this title.”

- Although this will not affect the use of value, it will negatively affect the purpose of current.
 - The purpose of Current Use is to lessen the burden of property taxes on our working lands, so they stay open and working.
 - Properties in Current Use with short term rentals will be taxed at a higher rate burdening property owners enrolled in current use pressuring those owner to develop the land opposed to keeping it open.

Question VALA has on assessing special use properties.

- How does this apply to travel trailers in travel trailer parks
- Travel trailers that are personal property being used for short term rentals
- Tents, Yurts and other temporary structures being used for short term rentals.