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Testimony to House Ways and Means, February 25, 2026

House General and Housing report on [H.757, an act relating to manufactured homes and limited equity cooperatives](#), Secs. 3, 5-12

Overall tax policy intent is unclear

- To impose a lower Property Transfer Tax rate on all manufactured home sales?
 - This would divorce tax treatment of property sales from property law, which is highly unusual. The only other non-real property transfers subject to Property Transfer Tax are controlling interests.
- To allow all manufactured home sales to take the recent 2024 Property Transfer Tax ENERGY STAR exemption?
 - If so, consider creating a Sales and Use Tax exemption for ENERGY STAR manufactured homes instead.

Department Concerns

- Sec. 3 designates limited equity cooperatives as nonprofits for State grants and funding. It is unclear what impact, if any, this would have on the tax benefits available to nonprofits under Vermont tax laws. If the intent is not to affect tax treatment, that should be expressly stated.
- Secs. 5-11 exempt sales of almost all manufactured homes sold as tangible personal property from Sales and Use Tax and subject them instead to Property Transfer Tax. Creating new tax treatment for property sales that doesn't follow property law should be approached with caution. This amendment's approach increases the likelihood of taxpayer confusion and misunderstanding by towns, due to added complexity for Property Transfer Tax returns.
 - Real estate attorneys and towns who handle these transactions could speak to how this change would impact their work.
- Sec. 12 requires the Department to conduct a statewide inventory and analysis of the appraised value of each mobile home park registered as a limited equity cooperative. We respectfully request this report be struck from the bill.



- Listers would have to be interviewed about their appraisal method and justifications, because this level of detail doesn't exist in the CAMA system data that the Department's Property Valuation and Review (PVR) Division has access to. This would be a significant amount of work for PVR, which has limited resources dedicated to other priorities.
- The report requires the Department to analyze limited equity cooperative manufactured home park appraisals and their justifications, which would require specialized appraisal expertise that PVR staff generally do not have. This means an independent appraisal would be required.
- Additionally, PVR has an advisory role for municipal property valuation, as opposed to the auditing role this report would ask PVR to fulfill.
- Under current law, the general rule is that property is valued at fair market value, unless a special appraisal is statutorily required. 32 V.S.A. § 3481. These special appraisals are very clearly set out in statute; for example, affordable housing. There is no special statutory valuation for limited equity cooperatives, so they are appraised at fair market value.

