

Final Report Pursuant to Act 68 of 2023: Statewide Reappraisals and Property Data

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Legislative Charge: Act 68 of 2023

- Created a 6-year cycle for each town to reappraise beginning on Jan. 1, 2025, unless a longer period is approved by the State.
- Repealed reappraisal orders based on the Common Level of Appraisal (CLA) but retained the Coefficient of Dispersion (COD) as a reason for the State to order towns to reappraise.
- Phased in training and certification requirements for listers and assessors.
- Required an initial progress report on the Department of Taxes' work by the end of 2023, which included a preliminary schedule and town groupings to implement the 6-year cycle.
- Required the Department of Taxes to submit a report to the legislative committees of jurisdiction on or before Dec. 15, 2024, regarding two main issues: updating the reappraisal system to achieve a 6-year reappraisal cycle and studying property tax data and classifications.

Elements of Final Report

[Final Report Pursuant to Act 68 of 2023: Statewide Reappraisals and Property Data](#)

- Report by the Vermont Department of Taxes based on research, analysis, and stakeholder engagement
- Report from International Association of Assessing Officers (IAAO) based on national and Vermont surveys, research, and standards
- Recommendations from Vermont Center for Geographic Information (VCGI)

Background Context

- Vermont ranks as having the lowest average population per assessment jurisdiction in the country.
 - Vermont's average assessment jurisdiction size is just 1,394 parcels, the smallest average parcel count of any state reporting parcel counts. Vermont has an average population per assessment jurisdiction of just 2,562.
 - Nationwide, the average population per assessment jurisdiction in the country mean is 166,953 and the median is 117,702.
- Trends nationwide
 - Most states assess property at the county level. Maryland and Montana are the only two states that manage all reappraisal functions at the state level.
 - An annual reappraisal cycle is the most common reappraisal cycle.
 - Most states do not require interior reinspections. In recent years, states have been moving to allow digital reinspections as an alternative to in-person reinspections as the use of ortho and oblique aerial imagery and tools have advanced.

Background Context

Current state of reappraisal orders

- 2024 equalization study projects that PVR will send out 152 reappraisal orders in the summer of 2025 based on municipal CODs, representing approximately 60% of Vermont municipalities.
- Average last year of reappraisal in Vermont: 2016.
- Towns are currently booking reappraisals for calendar years 2026–2029.
- In the past 10 years, approximately 19 towns on average have completed reappraisals each year.

This demonstrates that a large portion of grand lists in Vermont need updating. Outdated grand lists cause inequity between taxpayers because their properties are valued and thus taxed inconsistently.

Recommendation 1: Multi-town assessment districts (ADs) for reappraisal and grand list work

- Create assessment districts to conduct annual grand list maintenance tasks for municipality members as well as facilitate data collection and reappraisal activities.
 - Next step: Convene a working group composed of municipal, State, and other appraisal industry stakeholders to recommend composition of new assessment districts, using existing county or regional boundaries.
- Full-time, paid AD staff who work across member towns.
 - AD staffing will replace current municipal elected listers and/or appraisers (some of whom could become AD employees).
 - Municipal shares contributed to fund the assessment district could be prorated according to relative parcel counts in each member municipality.
- PVR staff support for regional coordination and training.

Recommendation 2: Reappraisal Contracting

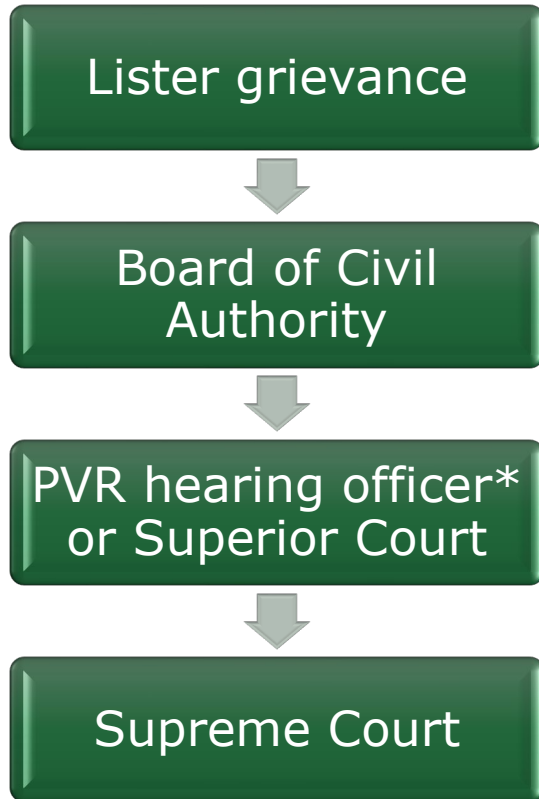
- The stakeholder working group should consider and make recommendations on:
 - Structuring reappraisal contracting at the AD level
 - State role in contracting and oversight of reappraisals
 - Standardized terms of all AD reappraisal contracts.

Recommendation 3: Reforming the Appeal Structure

- Create assessment district boards to hear valuation appeals instead of boards of civil authority (BCAs).
- Create either a State valuation appeals board or professionalize PVR Hearing Officers to hear appeals from assessment district boards.
- Training enhancements for new board roles.

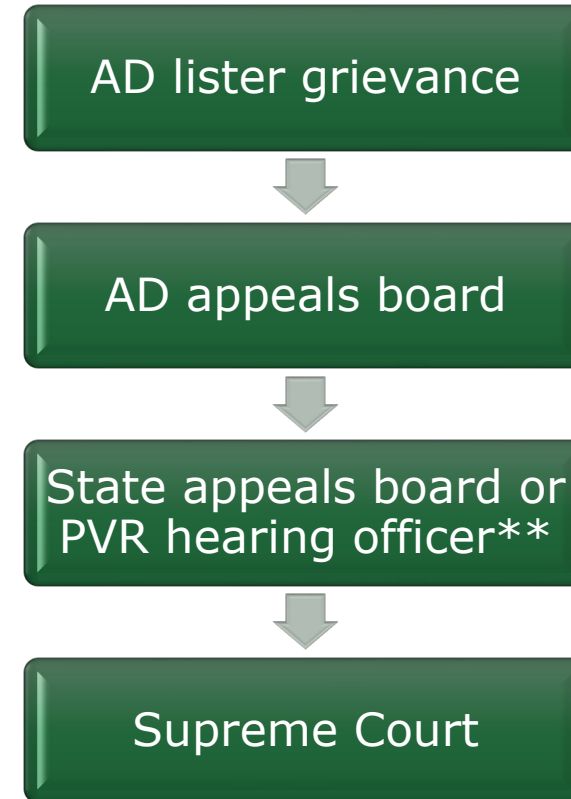
Current vs Proposed Appeal Structure

Current Appeals Process



*PVR can forward complex appeals to Superior Court

Proposed Appeals Process



**Professionalize PVR hearing officers and continue to allow PVR to forward appeals to Superior Court

Recommendation 4: Grand List Assessment Date

- Change date to January 1 from the current April 1.
- Continue the legal review and research to consider transition issues and statutory interactions. Bring transition language back to the 2026 legislative session.

Recommendation 5: Information Technology and Property Data

- Support VCGI recommendations on enhancing parcel data quality to facilitate fair, timely, and accurate property valuations and reappraisals.
- Phase in Computer Assisted Mass Appraisal (CAMA) data standard to enable data aggregation at the State level to support policymaking data.
- Data limitations and administrative challenges regarding actual, present-day use of properties

Property data improvements for more equitable and efficient valuations

- Regional ADs will become the primary entity for data software contracts and technical expertise
- Town within an AD will use the same CAMA system
- Standardize and aggregate data on property characteristics at the State level

Great potential for improving statewide understanding of certain property characteristics related to key public policy concerns

Data limitations and administrative challenges to actual, present-day use of properties

If the Legislature pursues distinct property classifications for “actual use” to be subject to a different tax treatment than other properties, we offer the following considerations:

- Reminder: a new *classification* would not be the same as a grand list *category*
- Classification may need to be done through self-attestation
- Clear definitions are imperative
- Consider use-based exemptions rather than use-based differential rates

Next steps: recommended 2025 legislation

- Convene stakeholder **working group** to consider:
 1. Formation of assessment districts
 2. Structuring reappraisal contracting
- Enact **transition language** to address three needs:
 1. End date for PVR to issue reappraisal orders under current system (COD or 6-year cycle)
 2. Revoke existing reappraisal orders under old system once new system takes effect
 3. End date for municipalities to contract for reappraisals