

Senate Conferees Proposal; H.454.; Secs. 60–69**5.30.25**

Kirby Keeton; Legislative Counsel

[Senate counter-proposal to House draft 4.1]

* * * Grand List Parcel Data * * *

Sec. 60. 32 V.S.A. § 4152 is amended to read:

§ 4152. CONTENTS

(a) When completed, the grand list of a town shall be in such form as the Director prescribes and shall contain such information as the Director prescribes, including:

(1) In alphabetical order, the name of each real property owner and each owner of taxable personal property.

(2) The last known mailing address of all such owners.

(3) A brief description of each parcel of taxable real estate in the town.

~~“Parcel”~~ As used in this subdivision, “parcel” means a separate and sellable lot or piece of real estate. Parcels may be combined to represent all contiguous land in the same ownership, together with all improvements thereon.

Sec. 61. PROPERTY TAX CLASSIFICATIONS STUDY;**IMPLEMENTATION PROPOSAL**

On or before December 15, 2025, in consultation with relevant stakeholders, the Commissioner of Taxes shall submit in writing to the House Committee on Ways and Means and the Senate Committee on Finance a report regarding the establishment of a system for property tax classifications that

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1 would allow for different tax rates on different classes of property. The report

2 shall include:

3 (1) one or more ways to define, identify, and classify residential

4 properties based on present-day use;

5 (2) a proposed method for classifying mixed-use parcels wherein

6 different portions of the same parcel are used for different purposes;

7 (3) proposed methods for collecting the data necessary to administer the

8 proposed tax classification system, including a description of any new or

9 revised forms;

10 (4) a proposed method for appeals under the proposed tax classification

11 system; and

12 (5) proposed methods to ensure taxpayer compliance with the new

13 system, including ways to prevent taxpayers from circumventing the legislative

14 intent to tax properties used primarily as second homes and short-term rentals

15 at a higher rate.

16 * * * Regional Assessment Districts * * *

17 Sec. 62. 32 V.S.A. chapter 121, subchapter 1A is added to read:

18 Subchapter 1A. Statewide and Regional Property Assessment

19 § 3415. LEGISLATIVE INTENT

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1 It is the intent of the General Assembly in adopting this subchapter to create

2 regional assessment districts so that:

3 (1) properties on grand lists are regularly reappraised;

4 (2) property data collection is consistent and standardized across the

5 State; and

6 (3) property valuation is conducted by trained and certified individuals

7 and firms.

8 § 3416. REGIONAL ASSESSMENT DISTRICTS; ESTABLISHMENT

9 (a) There are hereby established 12 regional assessment districts, whose
10 member municipalities shall fully and jointly reappraise their grand lists every

11 six years pursuant to subsection 3417(b) of this subchapter. Member

12 municipalities shall contract jointly with one or more third parties to conduct

13 reappraisals.

14 (b) Each county shall constitute one regional assessment district, except

15 that Franklin and Grand Isle Counties shall constitute one district and Essex

16 and Orleans Counties shall constitute one district.

17 § 3417. STANDARD GUIDELINES; PROCEDURES; RULEMAKING

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1 (a) The Director of Property Valuation and Review shall establish standard
2 guidelines and procedures, and may adopt rules, for regional assessment
3 districts, including:

4 (1) guidelines for contracting with third parties to conduct or assist with
5 reappraisals, including standard reappraisal contract terms;

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

7 (3) requirements relating to information technology, including standards
8 for data software contracts and computer-assisted mass appraisal systems; and

9 (4) standardized practices for a full reappraisal, including cases in which
10 physical inspections are unnecessary and how technology is to be utilized.

11 (b) The Director of Property Valuation and Review shall establish a
12 schedule for each regional assessment district to fully reappraise every six
13 years. The Director, at the Director's discretion, may alter the reappraisal
14 schedule for a regional assessment district or for one or more of a regional
15 assessment district's member municipalities.

16 * * * Transition to Regional Assessment Districts * * *

17 Sec. 63. TRANSITION; ANNUAL PROGRESS REPORT

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

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1 (1) the Director of Property Valuation and Review shall not order any
2 new municipal reappraisals of grand list properties that is not part of a
3 regionalized reappraisal system on and after January 1, 2027;

4 (2) a reappraisal order for which a municipality does not have a contract
5 in place before January 1, 2030 shall no longer have the force and effect of law
6 on and after January 1, 2030, except for those that are part of a regionalized
7 reappraisal system; and

8 (3) a municipality shall not enter into a new reappraisal contract on or
9 after January 1, 2027, except for those that are part of a regionalized
10 reappraisal system.

11 (b) On or before every January 15 from January 15, 2027 to January 15,
12 2030, the Commissioner of Taxes shall submit a report to the House
13 Committee on Ways and Means and the Senate Committee on Finance relating
14 to the progress made in preparing for the implementation of regional
15 assessment districts pursuant to this act.

16 Sec. 64. REGIONAL ASSESSMENT DISTRICT STAKEHOLDER

17 WORKING GROUP

18 On or before January 15, 2026, the Department of Taxes, in consultation
19 with relevant stakeholders, shall submit recommendations to the House

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Committee on Ways and Means and the Senate Committee on Finance
advising on the implementation of regional assessment districts and on the
development of guidelines, procedures, and rules needed to effectuate a
regionalized reappraisal system. The recommendations will include an
analysis of the advantages and disadvantages of having the State take full
responsibility for regionalized appraisals. In making its recommendation, the
Department of Taxes shall provide suggestions for legislative language that
address:

(1) the authority or authorities who will contract for and conduct
reappraisals;

(2) the authority or authorities who will hear and decide property
valuation appeals;

(3) amendments necessary to conform statute to the change from an
April 1 to January 1 grand list assessment date; and

(4) any other recommended revisions to achieve a regionalized
reappraisal system.

* * * Miscellaneous Tax * * *

Sec. 65. 32 V.S.A. § 6066a(f)(1) is amended to read:

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1 (f)(1) For taxpayers and amounts stated in the notice to towns on or before
2 July 1, municipalities shall create and send to taxpayers a homestead property
3 tax bill, instead of the bill required under subdivision 5402(b)(1) of this title,
4 providing the total amount allocated to payment of homestead education
5 property tax liabilities and notice of the balance due. Nothing in this
6 subdivision, however, shall be interpreted as altering the requirement under
7 subdivision 5402(b)(2) of this title that the statewide education homestead tax
8 be billed in a manner that is stated clearly and separately from any other tax.
9 Municipalities shall apply the amount allocated under this chapter to current
10 year property taxes in equal amounts to each of the taxpayers' property tax
11 installments that include education taxes. Notwithstanding section 4772 of this
12 title, if a town issues a corrected bill as a result of the notice sent by the
13 Commissioner under subsection (a) of this section, issuance of the corrected
14 new bill does not extend the time for payment of the original bill nor relieve
15 the taxpayer of any interest or penalties associated with the original bill. If the
16 corrected bill is less than the original bill, and there are also no unpaid current
17 year taxes, interest, or penalties, and no past year delinquent taxes or penalties
18 and interest charges, any overpayment shall be reflected on the corrected tax
19 bill and refunded to the taxpayer.

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1 Sec. 66. 32 V.S.A. § 5252 is amended to read:

2 § 5252. LEVY AND NOTICE OF SALE; SECURING PROPERTY

(a) When the collector of taxes of a town or of a municipality within it has for collection a tax assessed against real estate in the town and the taxpayer owes a minimum of \$1,500.00 and is delinquent for a period longer than one year, the collector may extend a warrant on such land. However, no warrant shall be extended until a delinquent taxpayer is given an opportunity to enter a written reasonable repayment plan pursuant to subsection (c) of this section. If a collector receives notice from a mobile home park owner pursuant to 10 V.S.A. § 6248(b), the collector shall, within 15 days after the notice, commence tax sale proceedings to hold a tax sale within 60 days after the notice. If the collector fails to initiate such proceedings, the town may initiate tax sale proceedings only after complying with 10 V.S.A. § 6249(f). If the tax collector extends the warrant, the collector shall:

15 ***

16 Sec. 67. 32 V.S.A. § 4465 is amended to read:

17 § 4465. APPOINTMENT OF PROPERTY VALUATION HEARING

18 OFFICER; OATH; PAY

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1 When an appeal to the Director is not withdrawn or forwarded by the
 2 Director to Superior Court pursuant to subsection 4461(a) of this title, the
 3 Director shall refer the appeal in writing to a person not employed by the
 4 Director, appointed by the Director as hearing officer. The Director shall have
 5 the right to remove a hearing officer for inefficiency, malfeasance in office, or
 6 other cause. In like manner, the Director shall appoint a hearing officer to fill
 7 any vacancy created by resignation, removal, or other cause. Before entering
 8 into their duties, persons appointed as hearing officers shall take and subscribe
 9 the oath of the office prescribed in the Constitution, which oath shall be filed
 10 with the Director. The ~~Director~~ Commissioner of Taxes shall pay each hearing
 11 officer ~~a sum not to exceed \$150.00 per diem for each day wherein hearings~~
 12 ~~are held~~ \$38.00 per hour plus a cost-of-living adjustment in an amount equal to
 13 any adjustment approved for exempt employees by the Secretary of
 14 Administration, together with reasonable expenses as the ~~Director~~
 15 Commissioner may determine. A hearing officer may subpoena witnesses,
 16 records, and documents in the manner provided by law for serving subpoenas
 17 in civil actions and may administer oaths to witnesses.
 18 Sec. 68. 32 V.S.A. § 5402(c)(2) is amended to read:

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1 (2) The Secretary of Education shall determine each municipality's net
 2 nonhomestead education tax payment and its net homestead education tax
 3 payment to the State based on grand list information received by the Secretary
 4 not later than the March 15 prior to the June 1 net payment. Payment shall be
 5 accompanied by a return prescribed by the Secretary of Education. Each
 6 municipality may retain 0.225 of one percent of the total education tax
 7 collected, only upon timely remittance of net payment to the State Treasurer or
 8 to the applicable school district or districts. ~~Each municipality may also retain~~
 9 ~~\$15.00 for each late property tax credit claim filed after April 15 and before~~
 10 ~~September 2, as notified by the Department of Taxes, for the cost of issuing a~~
 11 ~~new property tax bill.~~

12 Sec. 69. 32 V.S.A. § 5401(13) is amended to read:

13 (13)(A) "Education property tax spending adjustment" means the
 14 greater of one or a fraction in which:

15 (i) the numerator is the district's per pupil education spending plus
 16 excess spending for the school year, and

17 (ii) the denominator is the property dollar equivalent yield for the
 18 school year, as defined in subdivision (15) of this section, ~~multiplied by the~~
 19 ~~statewide adjustment.~~

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1 (B) “Education income tax spending adjustment” means the greater
2 of one or a fraction in which the numerator is the district’s per pupil education
3 spending plus excess spending for the school year, and the denominator is the
4 income dollar equivalent yield for the school year, as defined in subdivision
5 (16) of this section.

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