

\* \* \* Vacancy Surcharge \* \* \*

Sec. **X**. 32 V.S.A. § 4152a is added to read:

§ 4152a SURCHARGE ON VACANT PROPERTIES

(a) Definitions. As used in this section:

(1) “Vacant commercial property” means nonhomestead property whose highest and best use is to provide goods and services for sale but is not used to provide goods and services for more than 183 in the calendar year. Real property with a highest and best use to provide goods and services for sale includes retail stores, malls, motels, hotels, filling stations, restaurants, office buildings, and recreational facilities, except it does not include manufacturing plants, utilities, and industrial properties.

(2) “Vacant residential property” means a property with a dwelling unit that is fit for habitation on a year-round basis for which a homestead was not correctly declared in accordance with section 5410 of this title for the current year, and a landlord certificate will not be required to be filed pursuant to section 6069 of this title for the current year.

(b) Imposition. A surcharge is imposed on vacant commercial property and vacant residential property at the rate of 1.25 percent of equalized grand list value.

(c)(1) Annually, on or before the due date for filing the Vermont income tax return, without extension, every owner of real property in Vermont, and

1 every owner of a controlling interest in a person with title to property in  
2 Vermont, shall file a form with the Commissioner of Taxes listing all  
3 properties in which the taxpayer has an ownership interest, or controlling  
4 interest in a person with title, and attest as to whether each property is a vacant  
5 residential property, vacant commercial property, or both.

6 (2) If the Commissioner finds that a taxpayer failed to provide an  
7 accurate and complete attestation under this subsection, the Commissioner  
8 shall notify the taxpayer of any deficiency caused by the failure and assess  
9 penalty and interest. For any person who willfully falsifies any statement on a  
10 form required under this section shall be subject to a fine of not more than  
11 \$1,000.00. The process for notices and appeals shall follow section 9617 of  
12 this title.

13 (d)(1) A parcel shall not be subject to the surcharge imposed under this  
14 section if a portion of the floor space is used in a way that does not qualify as  
15 vacant residential property or vacant commercial property.

16 (2) A parcel shall be subject to the surcharge imposed under this section  
17 if it is used for multiple purposes and all portions meet the definition of vacant  
18 residential property or vacant commercial property.

19 (e) The surcharge imposed under this section shall be assessed, collected,  
20 and paid to the State Treasurer in the same manner as the statewide education  
21 tax under chapter 135 of this title and shall be billed separately in accordance

1     with subdivision 5402(b)(2) of this title. The State Treasurer shall deposit 80  
2     percent of the revenue from this surcharge in the Education Fund and 20  
3     percent in the Vermont Housing and Conservation Trust Fund for use in  
4     developing affordable housing.