

1 Sec. 18a. [Deleted.]

2 **[calculator]**

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4 Sec. 30 [32 V.S.A. § 3420]

5 (a) A taxpayer or the legislative body of a municipality aggrieved by a
6 written determination of a regional assessment district appeals board under
7 section 3419 of this chapter, or a taxpayer aggrieved by a valuation **and**
8 bypassed a board decision under subsection 3419(d) of this subchapter, may
9 appeal to either the Commissioner of Taxes or the Superior Court of the county
10 in which the property is located. The appeal to the Superior Court shall be
11 heard without a jury. For an appeal from the board, the appeal shall be
12 commenced by filing a notice of appeal pursuant to Rule 74 of the Vermont
13 Rules of Civil Procedure within 30 days after entry of the decision of the
14 board. For an appeal that bypassed the board, the appeal may be commenced
15 by filing a notice of appeal pursuant to Rule 74 of the Vermont Rules of Civil
16 Procedure within 30 days following the date of notice of a final valuation
17 decision of an assessing official. The date of mailing of notice of the board's
18 determination to the taxpayer shall be deemed the date of entry of the board's
19 determination. The board shall transmit a copy of the notice to the
20 Commissioner or the Superior Court and shall forward the notice to the
21 applicable municipal clerk, who shall record or attach a copy of the notice in

1 the grand list book. The entry fee for an appeal to the Commissioner is \$70.00;
2 provided, however, that the Commissioner may waive, reduce, or refund the
3 entry fee in cases of hardship or to join appeals regarding the same parcel. If,
4 in the opinion of the Commissioner, an appeal under this subsection involves a
5 complex or unique property or valuation that would be best adjudicated by the
6 Superior Court, the Commissioner may decline to hear the appeal and shall
7 forward the appeal to the Superior Court of the county in which the property is
8 located, where it shall be heard. An appeal forwarded by the Commissioner
9 under this subsection shall be considered timely filed in the Superior Court if it
10 was timely appealed to the Commissioner.

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15 Sec. 53. TRANSITION; ANNUAL PROGRESS REPORT

16 On or before every January 15 from January 15, 2028, to January 15, 2031,
17 the Commissioner of Taxes shall submit a report to the House Committee on
18 Ways and Means and the Senate Committee on Finance relating to the progress
19 made in preparing for the implementation of regional assessment districts
20 pursuant to this act.

21 **[Strikes subsection (a) and renumbers.]**

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Sec. 55. [Deleted.]

[municipal reimbursement for abatement]

Sec. 56 [Deleted.]

[valuation guidance for limited equity cooperatives]

Sec. 58. 32 V.S.A. § 4152a is added to read:

§ 4152a. PROPERTY TAX CLASSIFICATIONS

(a) Establishment. Each parcel of real estate shall be classified as one or more of the classifications listed under subsection (b) of this section and based on information and guidance provided by the Commissioner of Taxes under this section and rules adopted pursuant section 5410 of this title.

(b) Classifications. A parcel shall be assigned one or more of the following general classes:

- (1) homestead;
- (2) nonhomestead nonresidential; and
- (3) nonhomestead residential.

1 (c) Definitions. As used in this section:

2 (1) “Commissioner” means the Commissioner of Taxes.

3 (2) “Dwelling unit” means a building or part of a building, including a
4 single-family home, a unit within a multifamily building, an apartment, a
5 condominium, or other similar property or structure containing a separate
6 means of ingress and egress that:

7 (A) is designed or intended to be used for occupancy by one or more
8 persons in a household, including providing living facilities for sleeping,
9 cooking, and sanitary needs; and

10 (B) is fit for year-round habitation as determined by the
11 Commissioner.

12 (3) “Homestead” has the same meaning as in subdivision 5401(7) of this
13 title and means a parcel, or portion of a parcel, declared as a homestead on or
14 before October 15 in accordance with section 5410 of this title for the current
15 year.

16 (4)(A) “Long-term rental” means:

17 (i) a dwelling unit for which rent is paid for the right of occupancy
18 for periods of at least 30 days;

19 (ii) a dwelling unit with combined rental periods in the current
20 calendar year that total at least six calendar months, which need not be
21 consecutive; and

1 (iii) there is a bona fide landlord-tenant relationship between the
2 parties.

3 (B) “Long-term rental” also means a dwelling unit used by an
4 employer to house the employer’s employees for at least six calendar months,
5 which need not be consecutive, in the current calendar year. As used in this
6 section, “employee” means an individual who is reported by an employer for
7 purposes of complying with Vermont unemployment compensation law
8 pursuant to 21 V.S.A. chapter 17 or a farm employee as defined by 9 V.S.A.
9 § 4469a(a)(1), without regard for whether the farm employee is reported
10 pursuant to 21 V.S.A. chapter 17.

11 (5) “Nonhomestead nonresidential” means a parcel, or portion of a
12 parcel, that does not qualify as “homestead” or “nonhomestead residential”
13 under this section.

14 (6) “Nonhomestead residential” means a parcel, or portion of a parcel,
15 with a dwelling unit that is not:

16 (A) a homestead;

17 (B) rented out as a long-term rental;

18 (C) a mobile home, as defined under 10 V.S.A. § 6201(1), but not
19 including other types of manufactured homes; or

20 (D) part of a lodging establishment licensed under 18 V.S.A. chapter
21 85, subchapter 2.

1 (d) Mixed-use parcels. A parcel with two or more portions qualifying as
2 different classifications shall be classified proportionally as follows:

3 (1) Buildings shall be classified proportionally based on the percentage
4 of finished floor space used. Improvements and structures on a nonhomestead
5 residential parcel shall be classified as nonhomestead residential unless used
6 for a business purpose.

7 (2) Underlying land, including improvements or fixtures that lack floor
8 space, shall be classified proportionally based on the same percentage as the
9 finished floor space of the buildings.

10 (3) Notwithstanding any provision of this subsection to the contrary, the
11 entire parcel of land surrounding a homestead shall be classified as homestead
12 in accordance with subdivision 5401(7) of this title, including any
13 improvements or structures considered part of a homestead under subdivision
14 5401(7)(F) of this title.

15 (4) If a portion of floor space is used for more than one purpose, the use
16 for which the floor space is most often used shall be considered the primary
17 use and the floor space shall be dedicated to that use for purposes of tax
18 classification, except as provided for a homestead under subdivision 5401(7) of
19 this title.

1 (e) Forms. The Commissioner shall amend existing forms, and publish
2 new forms, as needed to gather the necessary attestations and declarations
3 required under this section.

4 (f) Use value appraisal. Nothing in this section shall be construed to alter
5 the tax treatment or enrollment eligibility of property as it relates to use value
6 appraisal under chapter 124 of this title.

7 **[Strikes (g) (classifications appeals) and amends (c)(5).]**

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11 Sec. 58a. RECOMMENDATIONS; TAX CLASSIFICATIONS APPEALS

12 On or before December 15, 2027, the Department of Taxes shall submit
13 recommended legislative language to the House Committee on Ways and
14 Means and Senate Committee on Finance establishing the process for an
15 aggrieved taxpayer to appeal a local or State determination affecting the tax
16 classification of the taxpayer’s property under 32 V.S.A. § 4152a, as
17 established by this act.

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