

Tax Department Feedback on H.955 As Passed by the House

- Regional Assessment Districts (RADs), Secs. 30-54
- Classification, Sec. 58
- Abatement program, Sec. 55
- Interactive funding calculator, Sec. 18a
- Manufactured home parks organized as limited equity cooperatives, Sec.56

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April 29, 2026

RADs, Secs. 30-54

- **Request:** Strike moratoriums from H.955, Sec. 53 and repeal from Act 73, Sec. 63
 - Why? Adapting approach in response to the moving target of new school districts; shared goal of aligning RAD boundaries and SDs.
 - Cause of anxiety and uncertainty for local administrators, especially without any RAD boundaries in place.
 - Under H.955, boundaries will be proposed by Tax in late 2029; new statute creating RAD appeal boards, new per parcel fees, and eventual joint contracting with single CLA won't go into effect until 2031.

Classification (second homes), Sec. 58

- **Request 1:** strike classifications appeals language
 - Work in progress, responsibilities of Tax versus towns evolving
 - Bring appeal process recommendation to the GA for the 2029 session
- **Request 2:** add commercial apartment buildings into NHS-NR definition when there's 5+ units
 - Treat them as they are today, as businesses (NHS-NR)
 - Current treatment creates huge lift for landlords, department, and local listers (value apportionment) for a very small part of the second homes tax base

New abatement program, Sec. 55

The abatement process takes place after the property value appeals period has ended and is entirely discretionary for municipalities. Open new abatement avenue if “there was a clear or obvious error or a mistake of the listers.”

- **Request:** Please strike from bill
 - Likelihood for high volume of abatement requests
 - Unknown fiscal impact; could be quite significant as early as FY27
 - No oversight from the state
 - Technical issues: reference to homestead exemption (rather than PTCs) but effective on passage

Interactive funding calculator, Sec. 18a

- **Request:** Consider the merits; potentially strike
 - As drafted, calculator uses no Tax Department data
 - More risk of misinterpretation than opportunities to inform process
 - Odd timing; due 11 mos. after JFO contractor report (12/1/26; [Act 73, Sec. 45a.](#)) and 2 years before another JFO study with a VERY similar charge:

October 2027 Interaction calculator – Sec. 18a

“Department of Taxes shall publish on its website an interactive education funding calculator (interactive calculator) ... to calculate an estimate of the total education funding from the State it received under Vermont’s current education finance system in fiscal year 2027 and the estimated total education funding it would have received from the State under the new financing formula had it been in effect in fiscal year 2027.”

December 2029 report due from JFO in [H.955 Sec. 18](#)

(C) on or before December 15, 2029, the Joint Fiscal Office has provided the General Assembly with an analysis, using fiscal year 2027 data, that compares the total appropriated State funds each school district received under Vermont’s existing education funding formula with those the school district would have received under the foundation formula established in 2025 Acts and Resolves No. 73, as amended; and

Manufactured home parks organized as limited equity cooperatives, Sec.56

- **Request: Strike as unnecessary; already covered under existing list of PVR duties.**
 - E.g., assisting municipalities, providing technical assistance and instruction.
 - Already plans in the works to update Lister Handbook with specific guidance.