

1 H.461

2 Introduced by Committee on Ways and Means

3 Date:

4 Subject: Taxation; statewide education property tax; abatements

5 Statement of purpose: This bill proposes to authorize the commissioner of
6 taxes to reimburse municipalities for certain property tax abatements granted in
7 the wake of storm flooding.

8 An act relating to the reimbursement of statewide education property taxes
9 that were abated due to flood damage

10 It is hereby enacted by the General Assembly of the State of Vermont:

11 Sec. 1. REIMBURSEMENT OF EDUCATION TAXES FOR

12 MUNICIPALITIES THAT ABATED PROPERTY TAXES DUE TO
13 FLOOD DAMAGE

14 (a) The commissioner of taxes may approve an application by a
15 municipality for a reimbursement by the department of education of payments
16 owed under 32 V.S.A. § 5402(c) and 16 V.S.A. § 426. The reimbursement
17 shall be based on the amount of the education taxes that were assessed on
18 property lost or destroyed due directly or indirectly to flooding in an area that
19 was declared a federal disaster between April 1, 2011 and October 1, 2011, and
20 that were abated, in proportion to the abated municipal tax, under the

1 provisions of 24 V.S.A § 1535 prior to April 15, 2012. The commissioner
2 shall adopt application and approval procedures, which may include loss
3 thresholds, for reimbursements made under this section.

4 (b) If a municipality demonstrates that due to disruption to tax collections
5 resulting from flooding in an area that was declared a federal disaster between
6 April 1, 2011 and October 1, 2011 it incurred unanticipated interest expenses
7 on funds borrowed to make payments required pursuant to 32 V.S.A. § 5402
8 and 16 V.S.A. § 426, the municipality may be reimbursed by an amount equal
9 to its reasonable interest expenses under this section. The commissioner shall
10 adopt application and approval procedures for reimbursements made under this
11 section.

12 (c) Notwithstanding any other provision of law to the contrary, the
13 department of education has the authority to make the reimbursements
14 approved under this section by reducing the amount a municipality owes under
15 32 V.S.A. § 5402(c) and 16 V.S.A. § 426 or by reconciling the reimbursements
16 with any payments that have already been made under 32 V.S.A. § 5402(c) and
17 16 V.S.A. § 426.

18 (d) A board of abatement may reconsider any decision it made between
19 April 1, 2011 and the date of the passage of this act.

20 Sec. 2. EFFECTIVE DATE

21 This act shall take effect on passage.