

1 S.310

2 Introduced by Senators Clarkson and Starr

3 Referred to Committee on

4 Date:

5 Subject: Taxation; use value appraisals

6 Statement of purpose of bill as introduced: This bill proposes to make three  
7 changes to the statutes regarding use value appraisals. First, it would alter two  
8 definitions to ensure the addition of an accessory on-farm business did not  
9 trigger a use value appraisal penalty. Second, it would change the period of  
10 certifying agricultural land from every two years to every three years. Third, it  
11 would require that recipients of use value appraisals be in good standing with  
12 the Department of Taxes on their taxes.

13 An act relating to use value appraisals

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

15 Sec. 1. 32 V.S.A. § 3752 is amended to read:

16 \* \* \*

17 (5) "Development" means, for the purposes of determining whether a  
18 land use change tax is to be assessed under section 3757 of this chapter, the  
19 construction of any building, road, or other structure, or any mining,  
20 excavation, or landfill activity. "Development" also means the subdivision of

1 a parcel of land into two or more parcels, regardless of whether a change in use  
2 actually occurs, where one or more of the resulting parcels contains less than  
3 25 acres each; but if subdivision is solely the result of a transfer to one or more  
4 of a spouse, ex-spouse in a divorce settlement, parent, grandparent, child,  
5 grandchild, niece, nephew, or sibling of the transferor, or to the surviving  
6 spouse of any of the foregoing, then “development” shall not apply to any  
7 portion of the newly created parcel or parcels that qualify for enrollment and  
8 for which, within 30 days following the transfer, each transferee or transferor  
9 applies for reenrollment in the use value appraisal program. “Development”  
10 also means the cutting of timber on property appraised under this chapter at use  
11 value in a manner contrary to a forest or conservation management plan as  
12 provided for in subsection 3755(b) of this title during the remaining term of the  
13 plan, or contrary to the minimum acceptable standards for forest management  
14 if the plan has expired; or a change in the parcel or use of the parcel in  
15 violation of the conservation management standards established by the  
16 Commissioner of Forests, Parks and Recreation. “Development” also means  
17 notification of the Director by the Secretary of Agriculture, Food and Markets  
18 under section 3756 of this title that the owner or operator of agricultural land  
19 or a farm building is violating the water quality requirements of 6 V.S.A.  
20 chapter 215 or is failing to comply with the terms of an order issued under  
21 6 V.S.A. chapter 215, subchapter 10. The term “development” shall not

1 include the construction, reconstruction, structural alteration, relocation, or  
2 enlargement of any building, road, or other structure for farming, accessory on-  
3 farm businesses as defined in 24 V.S.A. § 4412(11)(A)(i), logging, forestry, or  
4 conservation purposes, but shall include the subsequent commencement of a  
5 use of that building, road, or structure for other than farming, logging, or  
6 forestry purposes.

7 \* \* \*

8 (8) “Housesite” means the two acres of land surrounding any house,  
9 mobile home, or dwelling, but shall not include any dwelling used as part of an  
10 “accessory on-farm business,” as defined in 24 V.S.A. § 4412(11)(A)(i).

11 \* \* \*

12 Sec. 2. 32 V.S.A. § 3755 is amended to read:

13 § 3755. ELIGIBILITY FOR USE VALUE APPRAISALS

14 (a) Except as modified by ~~subsection (b)~~ of this section, any agricultural  
15 land, managed forestland, and farm buildings that meet the criteria contained in  
16 this subchapter and in the rules adopted by the Board shall be eligible for use  
17 value appraisal.

18 \* \* \*

19 (f) ~~On or before November 1 of each year~~ To maintain eligibility, the  
20 owner of agricultural land or buildings enrolled in the use value program as  
21 agricultural land or buildings shall certify in writing under oath to the

1 Commissioner every three years, at a time specified by the Commissioner, that  
2 the agricultural land or buildings enrolled by that owner continue to meet the  
3 requirements for enrollment in the use value program at the time of the  
4 certification. The Commissioner may waive this eligibility requirement if the  
5 Commissioner obtains through other means satisfactory information that the  
6 enrolled agricultural land or buildings continue to meet the requirements for  
7 enrollment. The form of the certification shall be made on a form specified by  
8 the Director of Property Valuation and Review.

9 (g) Any applicant for a use value appraisal or any beneficiary of a use value  
10 appraisal must be in good standing with the Department of Taxes pursuant to  
11 subsection 3113(g) of this title.

12 Sec. 3. EFFECTIVE DATE

13 This act shall take effect on July 1, 2020.