

VT Tax Structure Commission
Monday, January 13, 2020
1:00 P.M. – 4:30 P.M.

Approved Minutes

Present: Commissioners – Commissioners: Stephen Trenholm, Deb Brighton, Bram Kleppner; Staff Director: Sean Sheehan; Consultant to the Tax Structure Commission: Susan Mesner; Joint Fiscal Office: Mark Perrault, Chloe Wexler, Catherine Benham, Joyce Manchester; Tax Department: Doug Farnham, Erin Hicks-Tibbles, Jake Feldman; Public Assets Institute: Julie Lowell, policy analyst; Senator Peter Anthony, Vermont League of Cities and Towns: Karen Horn; Vermont School Boards Association: Sue Ceglowski

1:05 P.M. Welcome: Meeting called to order at 1:05 PM.

- Approval of Minutes from [11/6/2019](#) and [11/8/2019](#) – no changes, all in favor.
- Agenda Review – no changes to the agenda.
- Public comment – none from those in attendance; Commission received a [letter on property tax credits](#) and an update to the [stakeholder survey responses](#)

1:15 P.M. Work status update and timeline - Sean Sheehan, Staff Director presented an [updated timeline](#) as well as a draft plan for [Vermont's Tax Structure in a Changing Landscape](#).

- Commission supported timeline with one amendment: adding section for consumption taxes.
- Commission supported draft plan for Changing Landscape with one amendment: combining Transportation and Utilities panel with Changing Technology panel. Commissioners directed staff to bring names of potential invitees to February meeting and agreed to send suggestions to staff prior to the February meeting.
- Commissioner Brighton requested similar panel on changes in education to be held at February meeting. Commissioners Trenholm and Kleppner agreed. Commissioners directed staff to reach out to potential panelists this week.
- Commissioner Kleppner requested more detail on remaining meetings through the end of the year.

1:40 P.M. Presentation: [The Herculean Task of Understanding Vermont's Education Property Taxes](#) - Douglas Farnham, Director of Policy, Outreach, and Legislative Affairs, Dept. of Taxes.

2:10 P.M. Education finance data and review of models from Blue Ribbon Tax Structure Commission and other states – Mr. Sheehan presented [models from the Blue Ribbon Tax Structure Commission](#), [Key Resources on Property Taxes](#), [Comparing](#)

[Vermont Property Taxes to Peer States](#), and [State Approaches to Statewide Funding for Education and Property Tax Relief](#).

- 2:35 P.M. A closer look at education income tax**
- **Fiscal and policy considerations** - Mark Perrault, Senior Fiscal Analyst, Joint Fiscal Office presented his experience with various legislative proposals to adjust Vermont's education property tax system.
 - **Administrative and policy considerations** - Jake Feldman, Senior Fiscal Analyst, Dept. of Taxes presented [Why Not Pay For Education with an Income Tax](#).
 - **Proposals to address barriers** - Paul Cillo, President, Public Assets Institute presented [Income-Based School Tax](#) and [Annual School Tax Rate Adjustments Stabilize Revenues](#).
- 3:35 P.M. Perspectives on education finance and the education property tax - [Rep. Cynthia Browning](#)** discussed the idea of transferring the property tax adjustment and the revenue for the program from the Education Fund to the General Fund to help decrease upward pressure on property taxes.
- 3:50 P.M. Commission Discussion – deferred to next meeting, TBA**
- 4:20 P.M. Commission Budget Update** - Catherine Benham - Associate Fiscal Officer, Joint Fiscal Office, presented the [current commission budget](#)
- 4:28 P.M. Next meeting date and agenda - to be determined**
- 4:30 P.M. Adjourn by consensus**