

## Tax Structure Commission – Public Comment for 12/14/2020 meeting

Excerpt from Vermont League of Cities and Towns forthcoming legislative preview:

“The COVID-19 pandemic is causing significant shifts in property values. For example, residential property values shot up in much of the state this year as people from all over the country bought homes in the relative safety of Vermont. At the same time, small retail, theater, and office space property values tanked. Depending upon the types of real estate in a particular community and the duration of the COVID-19 economy, the grand list is likely to quickly fall out of compliance with the statutory requirement to be within 15 percent of fair market value, based on sales over the prior three years. (The Tax Department’s annual equalization study establishes how far from “fair market value” municipal grand list values are and a Common Level of Appraisal that corrects for the disparity in each town.) Big changes in values in the short term are likely to result in significant and sudden education property tax increases for certain categories of property, and a requirement to re-appraise, even if a re-appraisal was recently completed.”