IMPORTANT REMINDERS ABOUT VERMONT PROPERTY TAXES

How are education property tax rates calculated?

Your town's homestead education tax rate is its locally voted education spending amount per pupil divided by the statewide homestead property "yield." That number is then divided by your town's CLA (see below) to get the rate that appears on this tax bill. The nonhomestead tax rate is the statewide rate divided by your town's CLA. For detailed town-level calculations and answers to frequently asked questions about property taxes, go to **tax.vermont.gov/property/education-property-tax-rates.**

What is the Common Level of Appraisal (CLA)?

The CLA is the primary result of the Equalization Study conducted by the Vermont Department of Taxes every year. The study compares the listed value to the sale price for all the arms-length sales in the town during the prior three-year period. The CLA does not change taxpayers' property values, only the education tax rate in a town. It ensures that each town pays its fair share of Education Property Tax to the state's Education Fund based on local real estate market trends. Starting in the 2025-2026 tax year, the town CLA is divided by the average statewide CLA (called the "statewide adjustment") before it is applied to the school district tax rate.

Homestead Declaration (Form HS-122, Section A)

A "homestead" is your principal dwelling and parcel of land surrounding the dwelling. You must file a Homestead Declaration each year if you meet the filing requirements. Your town uses the Homestead Declaration to assess the correct Education Property Tax rate.

Property Tax Credit Claim (Form HS-122, Section B with Schedule HI-144)

If you filed a Homestead Declaration, you may be eligible for a Property Tax Credit based on your household income from the prior calendar year. The credit is applied against your current year's property tax bill, indicated as a "state payment." Credit claims can be filed after the April deadline for Homestead Declarations. These materials are available in other languages in addition to English. See a list of translations at **tax.vermont.gov/property/property-tax-credit**.

File Online for Free

You may file your Homestead Declaration and, if eligible, your Property Tax Credit online at **myvtax.vermont.gov.**

Penalties for Late Filing, Neglecting to File, Fraudulent Filing, and Appeals

If you file your Homestead Declaration after the April deadline, the town may assess a penalty of between 3% and 8%, depending on whether the nonhomestead rate is lower or higher than the homestead education property rate in your town. If you file after the October extended deadline or fail to file, the town will classify your property as nonhomestead, charge you the higher of the two rates, assess a penalty, and require you to pay any interest due. If a return is filed fraudulently, the town may assess a penalty equal to 100% of your Education Property Tax. The determination of domicile for a Homestead Declaration or assessment of fraud penalty may be appealed to the Commissioner of Taxes within 60 days. The other town fees, penalties, and interest relating to classification of a homestead may be appealed to the town listers within 14 days. For more information, go to **tax.vermont.gov/property/homestead-declaration.**

Vermont Current Use Program (also known as the Use Value Appraisal Program)

The eligible agricultural and forest lands of property owners who enroll in the Current Use Program are taxed at the "use value" of the land rather than its listed value. Applications are due by September 1. For additional information and to apply for a new enrollment or to change your existing enrollment, visit **myvtax.vermont.gov.**

Free Translation and Interpretation Services, Assistance, and How to Order Forms

For more information, visit **tax.vermont.gov/property-owners.** For assistance, call 866-828-2865 (toll-free in Vermont) or 802-828-2865 (local or out-of-state). Paper forms for the Homestead Declaration, Property Tax Credit Claim, and the Current Use Program are available at **tax.vermont.gov/forms.** You may also order paper forms at **tax.vermont.gov/form-request**, call 855-297-5600 (toll-free in Vermont), or 802-828-2515 (local or out-of-state). If you need free translation services or an interpreter or to request a reasonable accommodation, contact us at 802-828-2505 or **tax.support@vermont.gov** or visit **tax.vermont.gov/languages.**

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