

# Applying for the Current Use Program: FAQs for Trusts and Trustees

It is the responsibility of an applicant to ensure that an application for the Current Use (Use Value Appraisal) Program is completed with all required information. The application is **Form CU-301, Use Value Appraisal Application for Agricultural Land, Forest Land, Conservation Land and Farm Buildings**. The valid signature of all landowners or trustees is part of that responsibility. Below are the answers to frequently asked questions that the Vermont Department of Taxes hopes will assist trustees in filing current use applications.

## 1. On a current use application, is the property owner the trust or the trustee(s)?

A trust generally does not hold title to property in Vermont. The trustee(s) should be listed as the owner.

On Form CU-301, the line for the owner's name should be filled out as "last name, first name, trustee." Each trustee must be listed as a separate entry. Please do not include information for more than one trustee in a single column. The address line should include the name of the trust.

If there are more than three trustees, use Form CU-302, the Additional Owners Form for Use Value Appraisal Application.

## 2. What if the trust is listed as the owner on the title or some other document?

Vermont law recognizes the trustee(s) of a trust as the owner(s) when property is transferred to a trust. 27 V.S.A. § 351. Therefore, when a trust is listed as the owner of the property on an application, title, or other document, the Department will treat the property as if the trustee(s) is listed as the owner. In any case, the trustee(s) must sign the application as described in this fact sheet.

## 3. The title to a property is held by me and a few others as trustees. Are all of the trustees required to sign a current use application or may I sign it by myself?

The Department requires all trustees to sign a current use application for the application to be valid. However, there are a few exceptions that are addressed later in this fact sheet.

## 4. What if there are multiple trustees but the Trust Agreement authorizes one trustee to sign for all of the trustees?

In that case, the names and addresses of all trustees must be included on the application, but only the trustee authorized to sign for all trustees needs to sign the application. You should attach to your application the section of a valid Trust Agreement that grants authority to a single trustee to sign for all the trustees.

The Department suggests that a trustee with authority to sign for all trustees be listed as the primary contact on the application.

## 5. Does the Department require a new application when real property is transferred from one or more individuals to the trustees of a trust? What if the individuals and trustees are the same people?

A new application is necessary for any transfer of property, even a conveyance to yourself as a trustee. The Department needs the application to reflect ownership on the deed in order to effectively administer the Current Use Program.

## 6. Does the Department require a Trust Agreement to be filed with the application?

No. The Department only requires a trustee to file with the application the sections of a Trust Agreement that are relied upon in the application. For example, when one trustee is authorized to sign for all trustees, the relevant portion of the trust

Continued below

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agreement should be attached to the application. When all trustees are required to sign an application, there is no need for the trustees to provide evidence of their authority to sign.

The Department asks that applicants do not attach documents that are unnecessary or irrelevant to the application.

**7. Does the Department require a new application when a new trustee is added?**

Yes. A valid current use application must have the signatures of all trustees. Even when one trustee has authority to sign for other trustees, a new application is necessary so that all of the owners of the property are recorded on the application.

**8. Does the Department require a new application when a trustee ceases to be a trustee but no new trustees are added?**

Generally, no. The Department does not require a new application in that circumstance unless something else also occurred that would require a new application. For example, if a trustee signed an application based on the authority to sign for all trustees but that person ceases to be a trustee, then a new application with new signatures is required. Similarly, if a person ceases to be a trustee because of some fundamental change to the trust, the change may require a new application. Please see below for other types of changes.

**9. Does the Department require a new application when a new trust is created and a deed transfers the property from the old trust to the new trust?**

Yes. A transfer of property requires a new application, even if the trustees remain the same.

**10. What if two trusts merge?**

This will require a new application. A new application is necessary when a trustee is added or when a property is transferred from one owner to another.

**11. Does the Department require a new application when a trust changes its name?**

No. If the only change is a name change, a new application is unnecessary. As stated above, the trustees should be listed as the owner of the property and not the trust. However, the trustees should notify the Division of Property Valuation and Review of a name change and provide some proof that the name was changed. This is to avoid complications by ensuring that the Department's database matches municipal land records.

