

Current Use and Your Property Tax Bill

Vermont’s Current Use Program (also known as the Use Value Appraisal Program) allows the assessed value for a property to be reduced by a proportion of land and/or buildings enrolled in the program. The second page of this guide shows a sample Vermont municipal tax bill with a Current Use tax reduction. For a detailed explanation of the numbers and terms on a typical tax bill without Current Use, please see Understanding Your Property Tax Bill at tax.vermont.gov. To see if your property is eligible, please visit tax.vermont.gov/current-use.

How Land Use Values are calculated on enrolled property

Example, using 2019 Use Values where the CLA is 1.0860

A property’s applicable **Use Value** is calculated by multiplying use value per acre for each type of land enrolled (forest or agriculture) by the number of acres enrolled. The result is then multiplied by the Common Level of Appraisal (CLA) for your town and rounded to the nearest \$100.

Acreage	Type	Use Value Per Acre	Acreage x Use Value	(Acreage x Use Value) x CLA
50	Forest	\$145	\$7,250	\$7,873.50
10	Forestland >1 mi. from Class 1, 2, or 3 road	\$109	\$1,090	\$1,183.74
27	Agriculture	\$362	\$9,774	\$10,614.56
	TOTAL			\$19,671.80
			Applicable Use Value (rounded)	\$19,700.00 C

How much property tax is lowered when there is enrolled property

Real Value (A) is the total value of the land and improvements before exemptions. Subtract the value of the land not enrolled in Current Use from the total land value to get the **Enrolled Land Value (B)**. Then subtract the applicable **Use Value (C)** from the Enrolled Land Value to get the **Land Use Reduction (D)** (See **Note**, below). The **Total Taxable Value (E)** is the Real Value, minus the Land Use Reduction. Tax calculations are based on the **Grand List Value (F)**, which is one percent of Total Taxable Value. In the examples below, the municipal tax rate is 0.4, and the education tax rate is 1.4386.

Land Use Reduction Calculation
179,200 B
<u>-19,700 C</u>
159,500 D

Property tax is normally calculated by dividing the **Total Taxable Value** of a property by 100 (or multiplying by 0.01), then multiplying the result by both the municipal and education tax rates.

Without Current Use	
A 474,300	
÷ 100	
<hr/>	
4,743.00	
Municipal	Education
x 0.4	x 1.4386
<hr/>	<hr/>
1,897.20	+ 6,823.28
= 8,720.48 total tax	

With Current Use, the **Land Use Reduction** is subtracted from the **Total Taxable Value** first, allowing the property tax to be calculated on a lesser amount.

With Current Use	
A 474,300	
D -159,500	
<hr/>	
E 314,800	
÷ 100	
<hr/>	
F 3,148.00	
Municipal	Education
x 0.4	x 1.4386
<hr/>	<hr/>
1,259.20	+ 4,528.71
= 5787.91 total tax	

The tax reduction is the difference between the two totals to the left.

Tax Amount	
Without CU	8,720.48
With CU	5,787.91
Reduction	2,932.57

Note: Current Use is affected by how a town values the excluded and enrolled land. Towns send an Allocation Notice to taxpayers when these values change. Review the notice to see how the new values change the tax bill.

On a property tax bill, the Real (A) Value is reduced by the Land Use Reduction (D) amount shown in the Assessed Value box to get the Total Taxable Value (E). The Grand List Value (F) is one percent of the Total Taxable Value and is multiplied by the Municipal Tax rate (G) and the Educational Tax rate (H) to get the Taxes (I) due.

PAYABLE TO:
MAIL TO:

Town of Anytown
55 Main St
Anytown VT 05555
(555) 555 5555

This is the only bill you will receive. Please forward to new owner if property is sold.

TAX BILL

PARCEL ID	BILL DATE	TAX YEAR
LS5376.	06/21/2019	2019/20

Taxes unpaid after the due date are delinquent. The maximum interest allowable by law will be charged in addition to the collector's fee of 8%. Postmarks are NOT accepted as timely payment.

Location: 62 SUNSET AVENUE
Description: DWL & AC

OWNER PUBLIC, JOHN Q
PUBLIC, MARY A
62 SUNSET AVENUE
ANYTOWN VT 05555

HOUSESITE TAX INFORMATION	
SPAN # 003-252-23456	SCL CODE: 252
TOTAL PARCEL ACRES	89.00
HOUSESITE VALUE	295,100
HOUSESITE EDUCATION TAX	2,951.00
HOUSESITE MUNICIPAL TAX	1,180.40
HOUSESITE TOTAL TAX	4,131.40
FOR INCOME TAX PURPOSES	

ASSESSED VALUE		HOMESTEAD		NONHOMESTEAD																					
A REAL	474,300	474,300																							
EXEMPTION																									
LAND USE	- 159,500	- 159,500																							
TOTAL TAXABLE VALUE	314,800	314,800																							
GRAND LIST VALUE	3,148.00	3,148.00																							
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Questions?
Contact the Division of Property Valuation and Review
Phone: (802) 828-5860 or tax.pvr@vermont.gov

