



## City Council - Tax Fairness Ad Hoc Committee

**Monday, March 30, 2026, 12:00 PM, Sharon Bushor Conference Room, Ground Floor, City Hall OR remotely via Zoom**

**Zoom Info:** <https://zoom.us/j/99773581882>

Webinar ID: 997 7358 1882

### 1. Agenda

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<b>Subject</b>	<b>1.1. Motion to amend/adopt agenda</b>
Meeting	March 30, 2026 - Tax Fairness Ad Hoc Committee - Monday, March 30, 2026, 12:00 PM, Sharon Bushor Conference Room, Ground Floor, City Hall OR remotely via Zoom
Category	1. Agenda
Department	Department of Finance and Administration
Type	Action Procedural
Recommended Action	Motion to adopt agenda.

### 2. Public Forum

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<b>Subject</b>	<b>2.1. PUBLIC FORUM - Verbal Comments</b>
Meeting	March 30, 2026 - Tax Fairness Ad Hoc Committee - Monday, March 30, 2026, 12:00 PM, Sharon Bushor Conference Room, Ground Floor, City Hall OR remotely via Zoom
Category	2. Public Forum
Department	Department of Finance and Administration
Type	Action Procedural

### 3. Summary from Mayor's Tax Fairness Working Group

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<b>Subject</b>	<b>3.1. Summary from Mayor's Tax Fairness Working Group</b>
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Meeting March 30, 2026 - Tax Fairness Ad Hoc Committee - Monday, March 30, 2026, 12:00 PM, Sharon Bushor Conference Room, Ground Floor, City Hall OR remotely via Zoom

Category 3. Summary from Mayor's Tax Fairness Working Group

Department Department of Finance and Administration

Type Information

Recommended Action

#### **4. Discussion on Committee Priorities**

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**Subject 4.1. What initiative(s) does the Committee want to focus on?**

Meeting March 30, 2026 - Tax Fairness Ad Hoc Committee - Monday, March 30, 2026, 12:00 PM, Sharon Bushor Conference Room, Ground Floor, City Hall OR remotely via Zoom

Category 4. Discussion on Committee Priorities

Department Department of Finance and Administration

Type Discussion

Recommended Action

**Subject 4.2. What additional information does the Committee need?**

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Category 4. Discussion on Committee Priorities

Department Department of Finance and Administration

Type Discussion

Recommended Action

#### **5. Scheduling**

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**Subject 5.1. Scheduling for future meetings.**

Meeting March 30, 2026 - Tax Fairness Ad Hoc Committee - Monday, March 30, 2026, 12:00 PM, Sharon Bushor Conference Room, Ground Floor, City Hall OR remotely via Zoom

Category 5. Scheduling

Department Department of Finance and Administration

Type Discussion

Recommended Action

#### **6. Adjournment**

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<b>Subject</b>	<b>6.1. Motion to adjourn</b>
Meeting	March 30, 2026 - Tax Fairness Ad Hoc Committee - Monday, March 30, 2026, 12:00 PM, Sharon Bushor Conference Room, Ground Floor, City Hall OR remotely via Zoom
Category	6. Adjournment
Department	Department of Finance and Administration
Type	Action Procedural
Recommended Action	Motion to adjourn.

# Tax Fairness Working Group Review

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MARCH 30, 2026

# Overview

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- The Tax Fairness Working Group convened in late January 2025
- The group met eight times from January through August
- Produced a written report with five recommendations with varying levels of support

## Homestead exemption

*10 support, 2 support further engagement and research*

## Splinter tax simplification

*8 support, 4 support further research and engagement*

## Tax rate by classification

*8 support, 4 support further research and engagement*

## Municipal property transfer tax

*7 support, 5 support further research and engagement*

## Municipal Income based credit and rental rebate

*4 support, 5 support further research and engagement, 3 do not support*

# Tax Fairness Working Group **Scope + Objectives**

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The Mayor's Tax Fairness Working Group will **provide analysis + recommendations** to the Mayor for how the City of Burlington can create a **more equitable tax system**.

- 1** Offer **recommendations for creating a fairer tax system** to make our tax system more equitable among all taxpayers, more affordable for low and moderately incomeed people, and more sustainable revenue generating system with clear steps for actualization.
- 2** **Identify problems** with our current tax system and **identify goals** for a more equitable tax system.
- 3** Review relevant **financial data**.
- 4** Provide analysis for **how any recommended changes would affect different categories of residents** (homeowners and renters; different income levels) and commercial property owners
- 5** Provide **analysis on budgetary impacts** of any recommended changes, both short-term and longer-term

# Tax Fairness Working Group **Members + Staff**

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## **Group Members:**

- **Mark Barlow**, City Councilor, North District
- **Joe Kane**, City Councilor, Ward 3
- **Karen Paul**, Former City Council President, Ward 6
- **Steph Yu**, Community Member
- **Emily Eley**, Community Member
- **Missa Aloisi**, Community Member
- **Pacifique Nsengiyumva**, Community Member
- **Gil Livingston**, Community Member

## **City Staff:**

- **Bradley Kukenberger**, Director of Finance, Clerk/Treasurer's Office
- **Erin Jacobsen**, Chief of Staff, Mayor's Office
- **Erik Ramakrishnan**, Assistant City Attorney
- **Joe Turner**, City Assessor
- **Nancy Stetson**, Senior Policy and Data Analyst, Innovation and Technology

# Meeting **Structure**

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## **Meeting #1, January 30:**

Overview of Scope and Vermont Tax System

## **Meeting #2, February 19:**

Comparison of Tax Systems and Reforms

## **Meeting #3, March 27:**

Goals for Fairness, Overview of Assessment Process, Modeled Tax Reform Options

## **Meeting #4, May 1:**

Discussion of Reform Proposals

## **Meeting #5, May 29:**

Exploration of specific proposals

## **Meeting #6, June 26:**

Burlington income data from state, report plan

## **Meeting #7, Aug 14:**

Report review and feedback

## **Meeting #8, Sept 10:**

Final review of report

# Impact Dashboard

A dashboard was built to *approximately* explore the impact of possible reforms on actual Burlington properties.

[Link Here](#)



Tax Fairness Committee

## Exemptions

### Modeled Reforms

- Current System
- Exemptions
- Classifications
- Differing Rates
- Assessment
- Property Transfer Tax

#### Set parameters:

Revenue Raised (target: \$49.5M)

Universal exemption:

Exemption for homestead properties:

Tax Rate w/o Exemptions

**0.8400**

Current Grand List

**\$5.89bn**

Proposed Tax Rate

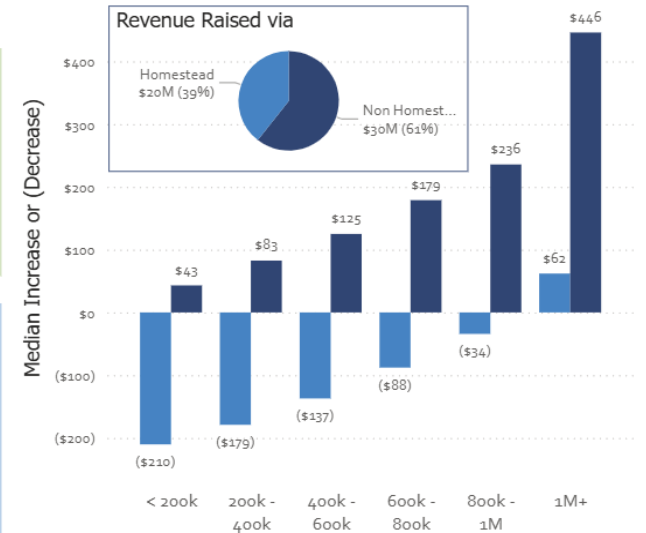
**0.8657**

Proposed Grand List

**\$5.72bn**

### Median Change in Municipal Bill

● Homestead ● Non Homestead



Parcel ID	Address	Homestead Status	Assessed Value	Assessed Value with Proposed Exemptions	Current Municipal Bill	Municipal Bill with Exemptions	Change in Tax Bill	% Change
003-2-002-000	0 INTERVALE RD	Non Homestead	\$180,000	\$180,000	\$1,512	\$1,558	\$46	3.1%
003-2-003-000	0 INTERVALE RD	Non Homestead	\$59,700	\$59,700	\$501	\$517	\$15	3.1%
005-3-001-000	80 CHASE ST	Non Homestead	\$477,400	\$477,400	\$4,010	\$4,133	\$123	3.1%
005-3-002-000	84 CHASE ST	Homestead	\$593,900	\$563,900	\$4,989	\$4,882	(\$107)	-2.1%
005-3-003-000	93 CHASE ST	Homestead	\$310,800	\$280,800	\$2,611	\$2,431	(\$180)	-6.9%
005-3-004-000	81 CHASE ST	Homestead	\$272,500	\$232,500	\$2,070	\$1,880	(\$190)	-9.2%

# Reforms Recommended

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## Exemptions, homestead and universal

- *An exemption reduces a property's value by some amount*
- *The committee discussed both an exemption limited to homestead properties or applied to all properties in Burlington, but recommended limiting the exemption to homestead properties*
- *The committee focused an exemption of \$30 - \$50k, though larger exemptions were discussed.*
- *Common in other jurisdictions*

## Splinter tax simplification

- *Reduce the number of splinter tax rates*
- *Allow inflation adjustment for revenue neutral rates*
- *Possibility of altering the order of budget approval and rate setting to match other Vermont towns*

# Reforms Recommended

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## Classification by Property Type

- *Tax rate varies based on a characteristic of the property.*
- *The City currently uses this method to tax commercial properties 20% more than residential.*
- *The committee discussed creating multiple categories at various rates, or taxing second homes at a higher rate*
- *Tax rates based on classifications are fairly common in other jurisdictions.*

## Property Transfer Tax

- *Impose an additional tax upon the sale of property, in addition to the existing state property transfer tax*

# Reforms Recommended

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## Municipal Property Tax Based on Income

- *Current state system reduces education property taxes up to an annual income of \$115k, municipal taxes up to an annual income of up to \$47k*
- *Committee discussed the possibility of increasing the subsidy on municipal property taxes to higher levels of income*
- *During the course of the committee, the state legislature passed Act 73, which would change this system to income-based exemptions*
- *Committee discussion focused on feasibility and city capacity, possibility of aligning with state*

# Other Reforms Discussed

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## Municipal Income Tax

- *Replace or augment the municipal property tax with an income tax*
- *Discussion focused on implementation challenges at the city level*
- *A few jurisdictions in the country have municipal income taxes*

## Tax Rate by Value Level

- *Sets a lower tax rate for low value properties and a higher rate for higher value properties*
- *Creates a cliff where a property directly below the cutoff receives the largest tax reduction*

## Land value tax

- *Splits the tax rate into a lower, or zero, rate on the value of buildings while increasing the rate on the value of the land*
- *This tax structure creates an incentive to develop underused properties.*
- *Rarely implemented in other jurisdictions.*

