

Greetings Municipal Officials,

The Department has received reports from multiple July billing towns where homestead declarations filed by the taxpayer before April 17th were not accounted for on the property tax bills. We apologize for the inconvenience this has caused to both taxpayers and municipalities and acknowledge that it is due to a processing backlog at the Department. Files sent between February and June 29th included over 91% of the timely and complete filed Homestead or Property Tax Adjustment (PTA) claims. As is the case every year, many filings are incomplete, contain errors or otherwise require our review (rather than processing automatically). We do our best to review and correct all of these prior to July 1.

This year 14,000 (of the over 175,000 annual filings) remained unreviewed as of July 1. We are working through these, and changes to homestead/non-residential status will be included in each weekly file. We anticipate having the timely filed PTA claims resolved by July 27th when we will send a subsequent file. If your town has issued bills which will need to be revised, you may consider waiting until after you have processed the July 27th file to re-issue those bills. If you were planning to print between now and the 27th of July, waiting could avoid unnecessary reprints. For the 158 towns which bill on August 1st or later, this issue should not impact you in any way.

Over 55,000 homestead declarations received by the Department this year had errors or otherwise were flagged, requiring manual intervention by a tax examiner to post correctly. Common errors include: incorrect SPANs, names, and inaccurate or incomplete financial data. This summer, the Department will be working with people inside and outside of state government to improve the processing of homestead declarations and PTA claims.

Thank you for your patience and understanding as we resolve this unfortunate situation. The Department regrets the disruption this has caused to the municipal billing process. If you would like additional information or to provide feedback, please contact Douglas Farnham at douglas.farnham@vermont.gov or call at 828-0141.

If you receive inquiries from taxpayers on their homestead declarations or PTA claims, please direct them to contact the Department at tax.individualincome@vermont.gov or by calling 828-2865.