

Current Use Tax Coalition
PO Box 6004
Rutland, VT 05702-6004



CURRENT USE PROGRAM

**(aka Use Value
Appraisal Program)**

Vermont's single most
important tool to preserve
our working landscape.

Published by the
Current Use Tax Coalition (CUTC)
PO Box 6004
Rutland, VT 05702-6004
802-747-7900

*Consider CUTC your definitive
resource for Current Use.*

Current Use is essential to the health of our Working Lands and the preservation of our farm and forest resource.

The cost of Current Use is far outweighed by the financial return. Productive farm and forest land help to generate billions of dollars in revenue each year. The economic impact of Current Use lands in Vermont is \$5.275 billion. Revenue by sector is:

- Forest Products: \$1.4 billion
- Tourism: \$1.0 billion
- Snowmobiling: \$0.5 billion
- Fishing, hunting, wildlife: \$.375 billion
- Agriculture: \$2.0 billion

Vermont is a special place. Our working landscape of farms and forests is a core value for Vermonters and visitors alike.

There are approximately 12,000 property owners enrolled in Current Use: about 8,000 forest landowners and 4,000 agricultural landowners. Vermont is 5.4 million acres in size; 4.5 million acres are in forest and 794,000 acres are agricultural. About 2 million acres of our working landscape are enrolled in Current Use, .5 million in agriculture and 1.5 million in forest land.



CUTC Mission: To continuously educate and inform the Vermont legislature, the public, and policy-making bodies with facts and supported reasoning for maintaining current use in a fair and equitable manner.

Myths and Misperceptions about Current Use abound. The facts speak for themselves...

- Current Use is a tax equity program that taxes farm and forest land for its “use value” rather than Fair Market Value.
- Land enrolled in Current Use must be under active management for either agricultural or forest products.
- Properties enrolled in Current Use do not create costs for towns but instead lower the tax burden since undeveloped land requires very few services.
- Towns are held harmless for the cost of the Current Use program. The State reimburses municipal government for the foregone revenue on enrolled acreage. In FY2011, reimbursement to municipalities was \$12.5M.
- Current Use benefits all Vermonters: most importantly, it enables our agriculture and forest products economy, maintains our viewsheds, and supports our tourism economy.
- Forests provide clean air and water, flood mitigation, timber for forest products and firewood, wildlife habitat, carbon sequestration, outdoor recreation opportunities, and unspoiled panoramic views.
- Farmers grow food for people and livestock, supporting our “buy local” economy.
- Full-time Vermonters own 76 percent of land enrolled in Current Use. Out-of-state residents own the remaining 24 percent. All must satisfy the same forest management requirements.
- Current Use helps to maintain and conserve Vermont’s productive agricultural and forestland to prevent conversion to more intensive use.
- Current Use helps Vermont plan for orderly growth in the face of increasing development pressures.
- Considerably more land is enrolled in Current Use on an annual basis than the small percentage that is withdrawn, highlighting the popularity of the program.
- If enrolled land is withdrawn from Current Use, landowners pay a penalty called land use change tax (LUCT).
- Landowners who sell development rights on enrolled property are not getting double benefit. In actuality, a deed restriction should lower the assessed value of a property but few towns reduce values for conserved lands and the assessed value is significantly higher than the use value.

Who are the Current Use Tax Coalition members?

The following organizations (listed in alphabetical order) have actively participated in and supported the CUTC mission. Their combined memberships serve *tens of thousands* of Vermont landowners and recreational users.

- Audubon Vermont
- Green Mt. Dairy Farmers Cooperative Fed.
- NH/VT Christmas Tree Growers Assoc.
- Rural Vermont
- Soc. of Am. Foresters, Green Mtn. Div.
- The Nature Conservancy
- Vermont Association of Snow Travelers
- Vermont ATV Sportsmans Assoc.
- Vermont Coverts
- Vermont Farm Bureau
- Vermont Forest Products Association
- Vermont Land Trust
- Vermont Natural Resources Council
- Vermont State Grange
- Vermont Traditions Coalition
- Vermont Woodlands Association

Advisor: Vermont Assessors and Listers Association

How can CUTC members help?

CUTC members have decades of experience with the Current Use program and can be considered your go-to resource regarding this important program. Call on us with your questions or concerns and to provide testimony on pending legislation. CUTC members are happy to be of service.