

**B.142/E.142/B.143/E.143/B.144/E.144 - Payment in Lieu of Taxes:**

1. FY23 Gov Rec level funded PILOT at \$9,750,000 or 83% of full PILOT payment value. Per 32 V.S.A. § 3701, assessed value is based on insurance value.
2. **Proposal Part 1** – Increase PILOT special fund appropriation by \$825,000 to \$10,575,000 or 90% of full PILOT payment value. See table below for context.

<b>PILOT Payments Historical Context &amp; FY23 Gov Rec Budget</b>			
<b>Fiscal Year</b>	<b>Full PILOT Payment Value</b>	<b>Appropriation</b>	<b>% Funded</b>
2015	8,446,668	5,800,000	68.67%
2016	8,715,218	6,220,928	71.38%
2017	9,596,032	7,166,845	74.69%
2018	10,049,202	7,600,000	75.63%
2019	10,534,734	8,036,000	76.28%
2020	10,785,290	8,750,000	81.13%
2021	11,400,502	9,250,000	81.14%
2022	11,359,838	9,750,000	85.83%
2023 Gov Rec	<b>11,749,000</b>	<b>9,750,000</b>	<b>83.0%</b>
<b>Proposal (base plus adjustment for new Pilot towns \$300K)</b>			
<b>2023 Estimate Calculated with FY15-FY20 Compound Annual Growth Rate of 3.43%</b>	<b>11,749,000</b>	<b>10,575,000</b>	<b>90.0%</b>

3. Revenue projections based on 75% of growth rate in January E-board forecast for Sales and Rooms & Meals tax. Also includes estimates of revenue from new pilot taxes in Barre and Montgomery.
4. Maintain Gov Rec for B.143/E.143 Montpelier Pilot – level fund
5. Maintain Gov Rec for B.144/E.144 Correctional Facilities Pilot – level fund

6. **Proposal Part 2** – add language that no town shall exceed 100% and to assess method of allocation of the pilot special funds. See draft below. Need to review with leg counsel and development assessment language.

Sec. E.142 PAYMENTS IN LIEU OF TAXES

(a) This appropriation is for State payments in lieu of property taxes under 32 V.S.A. chapter 123, subchapter 4, and the payments shall be calculated in addition to and without regard to the appropriations for PILOT for Montpelier and for correctional facilities elsewhere in this act. Payments in lieu of taxes under this section shall be paid from the PILOT Special Fund under 32 V.S.A. § 3709.

(b) Notwithstanding subsection (a), The payments under this section shall be adjusted so that the total payments made under E. 142, E.143 and E.144 do not exceed 100% of the assessed value of State buildings as defined by 32 V.S.A. § 3701 (2).