

FORM PVR-317 Instructions

Vermont Property Tax Public, Pious, or Charitable Exemption

General Information

Please print in **BLUE** or **BLACK** ink only.

NOTE: This form is not necessary if it can be determined that the property is statutorily exempt under the current statute.

Statutory Authority

Vermont law provides certain exemptions from property taxation in Vermont Statutes Annotated, Title 32, Chapter 125. Tax exemption statutes must be strictly construed against the party claiming the exemption. The most often cited exemption is for property granted, sequestered, or used for public, pious, or charitable uses under 32 V.S.A. § 3802(4).

Primary Use

The analysis for determining whether property is exempt under 32 V.S.A. § 3802(4) as a public, pious, or charitable use begins with an identification of the primary use of the property. *American Museum of Fly Fishing, Inc. v. Town of Manchester*, 151 Vt. 103, 110 (1989) (finding that “the crucial factor is the primary use to which the property is put”). “Primary use” refers to the “direct and immediate use” of the property as distinguished from a “remote” or “incidental” use. *Gifford Hospital v. Town of Randolph*, 119 Vt. 66, 72 (1955).

Public, Pious, and Charitable Use Test

All three of the following conditions must exist for the public, pious, or charitable use exemption under 32 V.S.A. § 3802(4) to apply:

1. The property must be dedicated unconditionally to public use;
2. The primary use must directly benefit an indefinite class of persons who are part of the public, and must also confer a benefit on society as a result of the benefit conferred on the persons directly served; and
3. The property must be owned and operated on a not for profit basis.

American Museum of Fly Fishing, 151 Vt. at 110.

Exemption Limitations

Even if the above conditions are met, Vermont law at 32 V.S.A. § 3832 limits exemption from taxation for certain uses of property including:

- **Health and Recreational Uses**

Property that is used primarily for health or recreational purposes if it is one of the types of property listed below. To be exempt, the property must be either: **(A)** buildings and land owned and occupied by a health, recreation, and fitness organization that is exempt from taxation under 26 U.S.C. § 501(c)(3), that uses its **income entirely** for its exempt purposes; **and** that promotes exercise and healthy lifestyles for the community **and** serve citizens of all income levels; or

(B) real and personal property operated on a nonprofit basis, but not necessarily by the same entity, and which, in the most recent calendar year, provided facilities to local public schools for a sport officially recognized by the Vermont Principals' Association. 32 V.S.A. § 3832(7) (Amended 1959, No. 187; 1965, No. 71; 2013, No. 174 (Adj. Sess.), § 55, eff. Jan. 1, 2015; 2017, No. 113 (Adj. Sess.), § 187.); *see, e.g., Central Vermont Hospital v. Town of Berlin*, 164 Vt. 456 (1995); *Middlebury College v. Town of Hancock*, 147 Vt. 259 (1986); *In re Aloha Found., Inc.*, 134 Vt. 239, 240 (1976).

- **Religious Society Property**

Property owned or kept by a religious society is only exempt as a pious use if it is used as a church edifice, a parsonage, the outbuildings of the church edifice or parsonage, a building used as a convent, school, orphanage, home, or hospital, land adjacent to any of the buildings named in this subsection, kept and used as a parking lot not used to produce income, lawn, playground, or garden and the so-called glebe lands. 32 V.S.A. § 3832(2); *see, e.g., Our Lady of Ephesus House v. Town of Jamaica*, 178 Vt. 35, 41 (2005); *In re Abbey Church*, 145 Vt. 227, (1984). Note that 32 V.S.A. § 3802(4) exempts “real property owned by churches or church societies or conferences and used as parsonages and personal property therein used by ministers engaged in full time work in the care of the churches of their fellowship within the state.” 32 V.S.A. § 3802(4).

- **Native American / American Indian Tribes** as listed in 1 V.S.A. Chapter 23

32 V.S.A. § 3832(21) Real and personal property owned by a Native American tribe that has been recognized pursuant to 1 V.S.A. Chapter 23 or owned by a nonprofit organization that is organized for the tribe's benefit and controlled by the tribe, provided the property is used for purposes of the tribe and is not leased or rented for profit.

Who Decides Whether the Property is Exempt?

Listers/Assessors make the initial determination of whether a parcel is eligible for exemption from taxation. This document is designed to help the property owner gather the information and documents necessary to present to the local listers/assessor. An appeal from the listers/assessor's decisions goes to the Board of Civil Authority. From there, it goes to the superior court. The superior court's decision may ultimately be appealed to the Vermont Supreme Court. As noted above, the Vermont Supreme Court has held that “[a]n exemption will be strictly construed against the party claiming it, and any doubts as to its application will be interpreted against the exemption. Exemption statutes must be construed reasonably, and not in a manner that defeats the purposes of the statute.” *American Museum of Fly Fishing*, 151 Vt. at 108. It is therefore very important that the property owner provide clear and detailed information regarding the property and its uses.

Form PVR-317 requests information regarding the ownership and use of the property for which an exemption is being sought. Attach additional pages as necessary to fully respond to each question.

Complete this application and send it to your local listers/assessor's office.

Incomplete application may result in the request for exemption being denied.

PVR instructs towns to follow the procedure outlined below:

1. The party requesting the exemption should complete and submit Form PVR-317.
2. The listers/assessor reviews the completed form.
3. The town's attorney should review the completed form and provide an opinion.
4. Based on the above responses, the Board of Listers/Assessor approves or denies the application for exemption.

VT Form PVR-317	VERMONT PROPERTY TAX PUBLIC, PIOUS, OR CHARITABLE EXEMPTION
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NOTE:
 This form is to be submitted to
 your local listers/assessor's office.

REQUIRED ATTACHMENTS. If the applicant is an organization, attach **at a minimum:**

- (A) Organizational documents
 - **Corporation:** Articles of Incorporation & Bylaws
 - **LLC:** Certificate of Formation and Operating Agreement
 - **Partnership:** Partnership Agreement;
- (B) Organization's mission statement;
- (C) IRS tax-exempt determination letter and proof of income usage, if applicable;
- (D) Deed to property (may describe unconditional dedication to public/pious/charitable use and any restrictions on use, etc.); and
- (E) Any other relevant documents.

PROPERTY OWNER

Last Name		First Name		Initial
Entity Name				
Address				
City	State	ZIP Code	Foreign Country (if not United States)	
Email Address				

ATTORNEY or AGENT If property owner is being represented by an attorney or agent, complete this section.

Attorney or Agent Last Name		First Name		Initial	Daytime Telephone Number
Company Name, if applicable					
Address					
City	State	ZIP Code	Foreign Country (if not United States)		
Email Address					

PROPERTY DESCRIPTION

Physical Street Location		SPAN (School Property Account Number)	
Physical City/Town	Parcel Size (in acres)	Listed Value of Property (assuming no exemption)	
Describe all buildings on the parcel			

(continued on next page)

Property Owner's Name
SPAN

ORGANIZATION INFORMATION

1. The mission of the organization owning the property would best be described as supporting/benefiting (check **ONE**):
- | | |
|---|--|
| a. <input type="checkbox"/> Animal Welfare | l. <input type="checkbox"/> Legal Services |
| b. <input type="checkbox"/> Art | m. <input type="checkbox"/> Men |
| c. <input type="checkbox"/> Children/Youth | n. <input type="checkbox"/> Mental Health and/or Substance Abuse |
| d. <input type="checkbox"/> Conservation/Environment | o. <input type="checkbox"/> Museums |
| e. <input type="checkbox"/> Elder Services | p. <input type="checkbox"/> Promotes Healthy Lifestyle |
| f. <input type="checkbox"/> Employment and Training | q. <input type="checkbox"/> Recreation |
| g. <input type="checkbox"/> Health | r. <input type="checkbox"/> Religious Society |
| h. <input type="checkbox"/> Health and Health Care Advocacy | s. <input type="checkbox"/> Science and Research |
| i. <input type="checkbox"/> Higher Education | t. <input type="checkbox"/> Women |
| j. <input type="checkbox"/> Housing | u. <input type="checkbox"/> Other (specify) _____ |
| k. <input type="checkbox"/> Land Conservation | |
2. Describe the organization's mission. _____

PROPERTY USE

3. Provide a complete and detailed description of the **primary** use of the property. _____

4. Describe the portion of the property involved in the above **primary** use (e.g., square footage used, proportion of users, hours of building time, etc.). Attach a diagram if there are multiple uses of a parcel or building(s).

5. Describe any secondary or incidental uses of the property. _____

6. Describe the portion of the property involved in secondary and/or incidental uses. _____

7. Is the property unconditionally and irrevocably dedicated to a public, pious, or charitable use? Yes No
7a. If "Yes," explain in detail and provide supporting documentation (e.g., deed, Articles of Incorporation, etc.)

(continued on next page)

Property Owner's Name
SPAN

PROPERTY USE (cont.)

8. Is the property owned and operated by the same entity? Yes No
- 8a. If "No," provide a detailed description of the operator and its relationship to the owner. Do the entities share a single mission? Provide supporting documentation.

WHO BENEFITS

9. What persons or group of people directly benefit from the primary use of this property? _____

10. Is the property open to the general public? Yes No
11. Are there any restrictions on who may use the property? Yes No

- 11a. If "Yes," describe any restrictions on use. _____

12. Are there any restrictions on when the property may be used? Yes No
- 12a. If "Yes," describe any restrictions. _____

13. Is an application, pre-approval, or membership required prior to use? Yes No
- 13a. If "Yes," describe in detail any requirements and the organization's decision-making criteria in approving users.

14. Does society as a whole benefit as a result of the benefits granted on the above persons or group? Yes No
- 14a. If "Yes," how does society as a whole benefit as a result of the benefit granted on the persons directly served?

15. Does the property promote exercise and healthy lifestyles for the community and serve citizens of all income levels? Yes No

16. Is the real and personal property operated as a skating rink? Yes No
- 16a. If "Yes," 1) is it owned and operated on a nonprofit basis, but not necessarily by the same entity, and 2) in the most recent calendar year, has the rink provided facilities to local public schools for a sport officially recognized by the Vermont Principals' Association? . . . Yes No

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Property Owner's Name
SPAN

FEES AND USE CHARGES

- 17. Is the property described above owned and operated on a nonprofit basis? Yes No
- 18. Is any of the property subject to a lease, rental, or management agreement? Yes No
- 18a.** If "Yes," attach a copy of all lease, rental, and/or management agreements.
- 19. Other than lease or rental charges, are any fees, admission, or membership charges levied for the use of this property? Yes No
- 19a.** If "Yes," provide details. _____

SIGNATURE

I hereby declare the foregoing to be true and accurate, and request that (check ONE)

- ALL
- A PORTION

of the property described above be exempt from property taxation under 32 V.S.A. § 3802(4).

Signature _____ Date _____

Printed Name _____

Mail completed application to *your town lister/assessor's office*.

Questions for PVR? Contact our office at:
Phone: (802) 828-5860
Email: tax.pvr@vermont.gov