

# **What is the Coefficient of Dispersion (COD)?**

**(And what is its purpose?)**

The Coefficient of Dispersion (COD) is a measure of uniformity of appraisal for all properties in a town's Grand List. It measures the average deviation between the selling prices of recently sold properties from the average town-wide level of appraisal. In other words, if there are two properties in a town and each is assessed for the same amount, the COD measures how likely it is that they would sell for the same amount.

A COD of 0.00% is perfect as it indicates absolute fairness insofar as every taxpayer is appraised at exactly the same percentage of fair market value. A COD of 0.00% is considered to be unachievable.

Each year the Property Valuation & Review Division of the Vermont Department of Taxes determines each town's COD by performing a statistical study of property sales. A COD of 10% or less is considered to reflect a relatively high level of equity across taxpayers' assessments. By State Statute, if a town's COD is greater than 20% the State is required to withhold education, transportation and other funds from the offending town.

Historically, Huntington's COD has fallen well within the State requirements, indicating a relatively high level of fairness between property owners.