



Municipal Matters:

Technical Assistance for
Tax Collectors

NH Department of Revenue Administration
Municipal & Property Division
Municipal Bureau
PO Box 487
Concord, NH 03302-0487
(603) 230-5090

TDD Access: Relay NH 1-800-735-2964

Individuals who need auxiliary aids for effective communication in programs and services of the Department of Revenue Administration are invited to make their needs and preferences known to the Department.

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Introduction

This guide is a resource to further the general understanding of the municipal governance, finance and the taxation process. Since one guide cannot address all aspects of these topics, we also include numerous references to other publications and resources. This guide is not intended to be a substitute for the New Hampshire Revised Statutes Annotated, the rules of the Department of Revenue Administration or those of any other state agency. This guide was written and prepared by staff of the NH DRA Municipal Bureau, in cooperation with the New Hampshire Tax Collector’s Association. It is our hope that this manual will assist even the most seasoned tax collector in gaining a better in-depth understanding of their duties as a tax collector in New Hampshire.

Municipal Bureau

Mission Statement

The Municipal Bureau is a part of the Municipal and Property (M&P) Division of the Department of Revenue. The mission statement of M&P is:

To assure fairness, equity and proportionality in the assessment and collection of property taxes and the administration of municipal finances in the state by establishing tax rates, providing technical assistance and education to municipal officials, monitoring revaluations, reviewing assessment practices, equalizing local assessed valuation, appraising public utility and railroad property, and administering timber and gravel taxation.

The Municipal Bureau is responsible for establishing tax rates in a timely manner; providing technical assistance and education regarding taxation and finance to the 570 political subdivisions of the state; and, maintaining general supervision over the tax collectors of the state.

Municipal Bureau General Information

Mailing Address: PO Box 487
Concord NH 03302-0487

Office Hours: Monday – Friday 8:00 a.m. to 4:30 p.m.

Municipal Bureau Main Phone Line: (603) 230-5090

Staff

Commissioner, DRA: Lindsey Stepp

Asst. Commissioner, DRA: Carollynn Lear

Director, M&P Division: Vacant

Asst. Director, M&P Division: Thomas Hughes

Supervisor, Municipal Bureau: Bruce Kneuer

Municipal Accounts Auditors: Jamie Dow
Michelle Clark
Stephanie Derosier
Penny Touchette

Municipal Bureau Duties

The Municipal Bureau's primary function is to set property tax rates for the 259 municipalities within the state, including 25 unincorporated places. The municipal accounts auditors are assigned municipalities, the village districts and local schools associated with their municipalities, counties and regional schools. The Municipal Bureau also is responsible for providing technical assistance to the political subdivisions of the state. The Municipal Bureau updates the information on the Municipal and Property website, providing all statutorily required forms not available through MTRSP, as well as technical assistance materials. In addition, the Bureau provides liaison personnel available to the following entities: Municipal Management Association of NH; NH Association of Counties; NH Association of School Business Officials; NH Bar Association; NH Government Finance Officers Association; NH Municipal Association; NH Tax Collector Association.

In accordance with RSA 41:39, the Municipal Bureau provides basic supervision relative to the proper administration of tax collector procedures. The state has approximately 237 tax collectors.

Municipal Bureau staff also act as a liaison between municipal officials and the Director of the Municipal and Property Division to assist in the Director's work with the administrative rules committee to revise; modify or create rules to assist the municipalities, taxpayers, legislators and department personnel in performing their duties.

Authority

The legislative mandate for this guide and the assistance provided by the Municipal Bureau, as part of M&P, can be found in NH RSA 21-J:15, which states:

There is established within the department [Revenue Administration] a municipal and property division, under the supervision of an unclassified director of the municipal and property division, who shall be responsible for the following functions:

- I. Providing technical assistance to the political subdivisions of the state.*
- II. Performing general municipal and county audits.*
- III. Assisting the commissioner in his responsibility for setting municipal tax rates.*
- IV. Establishing a standard technical assistance manual for municipalities on finance and budget matters. This manual shall be available for purchase from the division. The manual shall cover statutory requirements, administrative rules adopted by the commissioner, and advice and information for the use of municipalities. The manual shall distinguish between those provisions which municipalities must comply with and those elements which are advisory in nature.*
- V. Assisting and supervising municipalities and appraisers in appraisals and valuations as provided in RSA 21-J:10 and RSA 21-J:11.*
- VI. Appraising state-owned forest and recreation land under RSA 227-H and RSA 216-A.*
- VII. Annually determining the total equalized valuation of properties in the cities and towns and unincorporated places according to the requirements of RSA 21-J:9-a.*
- VIII. Preparing a standard appraisal manual which may be used by assessing officials, and holding meetings throughout the state with such officials to instruct them in appraising property.*

Also, pursuant to RSA 21-J:24, the Municipal Bureau, as part of M&P, is responsible for providing technical assistance in areas of municipal finance and taxation. However, it is important to note that compliance with applicable statutes is the responsibility of the municipality’s governing body. (RSA 41:8)

RSA 21:J-35 gives the division the authority to compute and establish tax rates by examining the reports filed by municipalities to ensure:

- Appropriations have been made in a manner consistent with procedural requirements;
- No appropriations made are prohibited by law;
- All revenues have been accurately estimated and in a manner not prohibited by statute; and,
- All calculations have been processed correctly.

The Municipal Bureau has the authority to review and adjust appropriations, but not expenditures. Once the voters have approved the appropriations, it becomes the responsibility of the elected officials to ensure that expenditures are made within the letter of the law. Municipal attorneys, auditors, and, if necessary, the Attorney General’s office for the State of New Hampshire need to be consulted when suspicion of misconduct arises.

Staff Assignments & Contact Information

The municipal entities, which are the towns (T), cities (C), villages (V), schools (S), regional schools (RS) and counties (CO) of this state, each have an assigned municipal auditor. The municipal auditors are listed by their initials, which are Jamie Dow (JD), Michelle Clark (MD), Stephanie Derosier (SD), and Penny Touchette (PT). The contact information for the municipal auditors is:

Jamie Dow	230-5092	jamie.dow@dra.nh.gov
Michelle Clark	230-5091	michelle.clark@dra.nh.gov
Stephanie Derosier	230-5096	stephanie.derosier@dra.nh.gov
Penny Touchette	230-5093	penny.touchette@dra.nh.gov

The contact information for the Municipal Bureau Supervisor is:

Bruce Kneuer	230-5953	bruce.kneuer@dra.nh.gov
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NH DRA Municipal Bureau – Municipal Matters: Technical Assistance For Tax Collectors

MC - Michelle Clark (230-5091)
Michelle.Clark@dra.nh.gov

JD - Jamie Dow (230-5092)
Jamie.Dow@dra.nh.gov

SD - Stephanie Derosier (230-5096)
Stephanie.Derosier@dra.nh.gov

PT - Penny Touchette (230-5093)
Penny.Touchette@dra.nh.gov

MUNICIPALITY	AUDITOR	SAU
ACWORTH	JD	60
ALBANY	MC	09
ALEXANDRIA	MC	04
ALLENSTOWN	JD	53
ALSTEAD	JD	60
ALTON	SD	72
AMHERST	PT	39
ANDOVER	SD	46
ANTRIM	SD	01
ASHLAND	MC	02
ATKINSON	JD	55
AUBURN	MC	15
BARNSTEAD	SD	86
BARRINGTON	MC	74
BARTLETT	MC	09
BATH	JD	23
BEDFORD	PT	25
BELMONT	PT	80
BENNINGTON	SD	01
BENTON	JD	23
BERLIN	JD	03
BETHLEHEM	JD	35
BOSCAWEN	SD	46
BOW	MC	67
BRADFORD	PT	65
BRENTWOOD	PT	16
BRIDGEWATER	MC	04
BRISTOL	MC	04
BROOKFIELD	MC	49
BROOKLINE	SD	41
CAMPTON	MC	48
CANAAN	SD	62
CANDIA	MC	15
CANTERBURY	PT	80
CARROLL	JD	36
CENTER HARBOR	MC	02
CHARLESTOWN	JD	60
CHATHAM	MC	09
CHESTER	PT	82
CHESTERFIELD	PT	29
CHICHESTER	JD	53
CLAREMONT	JD	06
CLARKSVILLE	JD	07
COLEBROOK	JD	07
COLUMBIA	JD	07
CONCORD	SD	08
CONWAY	MC	09
CORNISH	JD	06
CROYDON	JD	43
DALTON	JD	36
DANBURY	MC	04
DANVILLE	JD	55
DEERFIELD	JD	53
DEERING	SD	34
DERRY	JD	10
DORCHESTER	SD	62
DOVER	MC	11
DUBLIN	SD	01
DUMMER	JD	20

MUNICIPALITY	AUDITOR	SAU
DUNBARTON	MC	67
DURHAM	PT	05
EAST KINGSTON	PT	16
EASTON	JD	35
EATON	MC	09
EFFINGHAM	MC	49
ELLSWORTH	MC	48
ENFIELD	SD	62
EPPING	PT	14
EPSOM	JD	53
ERROL	JD	20
EXETER	PT	16
FARMINGTON	PT	61
FITZWILLIAM	PT	93
FRANCESTOWN	SD	01
FRANCONIA	JD	35
FRANKLIN	JD	18
FREEDOM	MC	13
FREMONT	PT	83
GILFORD	MC	73
GILMANTON	SD	79
GILSUM	PT	93
GOFFSTOWN	JD	19
GORHAM	JD	20
GOSHEN	JD	71
GRAFTON	SD	62
GRANTHAM	SD	75
GREENFIELD	SD	01
GREENLAND	MC	50
GREENVILLE	SD	87
GROTON	MC	04
HALE'S LOCATION	MC	97
HAMPSTEAD	JD	55
HAMPTON	PT	90
HAMPTON FALLS	PT	21
HANCOCK	SD	01
HANOVER	SD	70
HARRISVILLE	PT	29
HART'S LOCATION	MC	09
HAVERTHILL	JD	23
HEBRON	MC	04
HENNIKER	SD	24
HILL	JD	18
HILLSBOROUGH	SD	34
HINSDALE	SD	92
HOLDERNESS	MC	48
HOLLIS	SD	41
HOOKSETT	MC	15
HOPKINTON	SD	66
HUDSON	SD	81
JACKSON	MC	09
JAFFREY	SD	47
JEFFERSON	JD	36
KEENE	PT	29
KENSINGTON	PT	16
KINGSTON	PT	17
LACONIA	MC	30
LANCASTER	JD	36
LANDAFF	JD	35

MUNICIPALITY	AUDITOR	SAU
LANGDON	JD	60
LEBANON	SD	66
LEE	PT	05
LEMPSTER	JD	71
LINCOLN	JD	66
LISSON	JD	35
LITCHFIELD	SD	27
LITTLETON	JD	64
LONDONDERRY	JD	12
LOUDON	SD	46
LYMAN	JD	35
LYME	SD	76
LYNDEBOROUGH	JD	63
MADBURY	PT	05
MADISON	MC	13
MANCHESTER	JD	37
MARLBOROUGH	PT	29
MARLOW	PT	29
MASON	SD	89
MEREDITH	MC	02
MERRIMACK	SD	26
MIDDLETON	MC	61
MILAN	JD	20
MILFORD	SD	40
MILTON	MC	64
MONROE	JD	77
MONT VERNON	PT	39
MOULTONBOROUGH	MC	45
NASHUA	SD	42
NELSON	PT	29
NEW BOSTON	JD	19
NEW CASTLE	MC	50
NEW DURHAM	MC	49
NEW HAMPTON	MC	04
NEW IPSWICH	SD	67
NEW LONDON	SD	65
NEWBURY	PT	65
NEWFIELDS	PT	16
NEWINGTON	MC	50
NEWMARKET	JD	31
NEWPORT	SD	43
NEWTON	PT	17
NORTH HAMPTON	PT	21
NORTHFIELD	PT	59
NORTHUMBERLAND	JD	58
NORTHWOOD	MC	44
NOTTINGHAM	MC	44
ORANGE	SD	62
ORFORD	JD	78
OSSIFEE	MC	49
FELHAM	SD	28
PEMBROKE	JD	53
PETERBOROUGH	SD	01
PIERMONT	JD	23
PITTSBURG	JD	07
PITTSFIELD	PT	51
PLAINFIELD	JD	32
FLAISTOW	JD	55
PLYMOUTH	MC	48

MUNICIPALITY	AUDITOR	SAU
PORTSMOUTH	MC	52
RANDOLPH	JD	20
RAYMOND	MC	33
RICHMOND	PT	93
RINDGE	SD	47
ROCHESTER	PT	54
ROLLINSFORD	MC	56
ROXBURY	JD	93
RUMNEY	MC	48
RYE	MC	50
SALEM	JD	57
SALISBURY	SD	46
SANBORNTON	PT	59
SANDOWN	JD	55
SANDWICH	MC	02
SEABROOK	PT	21
SHARON	SD	01
SHELBURNE	JD	20
SOMERSWORTH	SD	56
SOUTH HAMPTON	PT	21
SPRINGFIELD	SD	65
STARK	JD	58
STEWARTSTOWN	JD	07
STODDARD	SD	24
STRAFFORD	MC	44
STRATFORD	JD	58
STRATHAM	PT	16
SUGAR HILL	JD	35
SULLIVAN	SD	96
SUNAPEE	JD	85
SURRY	JD	91
SUTTON	PT	65
SWANZEY	PT	93
TAMWORTH	MC	13
TEMPLE	SD	01
THORNTON	MC	48
TILTON	PT	59
TROY	PT	93
TUFTONBORO	MC	49
UNINC. PL. COOS	JD	98
UNITY	JD	06
WAKEFIELD	MC	64
WALPOLE	JD	60
WARNER	PT	65
WARREN	JD	23
WASHINGTON	SD	34
WATERVILLE VALLEY	MC	48
WEARE	SD	24
WEBSTER	SD	46
WENTWORTH	MC	48
WESTMORELAND	PT	29
WHITEFIELD	JD	36
WILMOT	PT	65
WILTON	JD	63
WINCHESTER	SD	94
WINDHAM	SD	95
WINDSOR	SD	34
WOLFEBORO	MC	49
WOODSTOCK	JD	66

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The New Tax Collector – Transitioning into Public Service

Succession Overview

Pursuant to RSA 41:36, when a tax collector's term ends for any reason, the tax collector's powers and authority cease and are transferred to the new collector. All books, papers, and records of the outgoing collector must be delivered to the selectmen. After a tax collector leaves office, the selectmen must have the outgoing tax collector's books and records audited by either the locally elected auditor or the town's CPA firm. The selectmen then shall deliver all necessary books, records, and papers to the successor collector, along with a recomittal warrant which gives the successor collector authority to collect. Any records not needed must be given to the town clerk for care and preservation.

After Election or Appointment

Both the Tax Collector and the Deputy Tax Collector are required to take an oath of office, whether they are elected or appointed. (RSA 42:1-3, 41:38):

- RSA 42:1 - Every town officer shall make and subscribe the oath or declaration as prescribed by part 2, article 84 of the constitution of New Hampshire and any such person who violates said oath after taking the same shall be forthwith dismissed from the office involved.

The wording of this oath is:

- I, {*state your complete name*} do solemnly and sincerely swear and affirm, that I will faithfully and impartially discharge and perform all the duties incumbent on me as {*elected or appointed office*} according to the best of my abilities, agreeably to the rules and regulations of the constitution and laws of the State of New Hampshire. So help me God. (New Hampshire Constitution, Part 2, Article 84)

Should you prefer not to swear, then the following affirmation can be made:

- I, {*state your complete name*} do solemnly and sincerely affirm, that I will faithfully and impartially discharge and perform all the duties incumbent on me as {*elected or appointed office*} according to the best of my abilities, agreeably to the rules and regulations of the constitution and laws of the State of New Hampshire. This I do under the pains and penalties of perjury. (New Hampshire Constitution, Part 2, Article 84)

Pursuant to RSA 42:2, this oath or affirmation should be administered by:

- The moderator;
- Town clerk;
- One of the selectmen; or,
- A justice of the peace.

In addition, the individual swearing you in should have a written copy (certificate) of the oath for you to sign and date. On that same page, the individual administering the oath should also sign, stating who administered the oath; in what capacity (i.e. the title of the person administering the oath); where the oath was administered; and, when the oath was taken. This certificate is to be filed with the Town Clerk's office. It is a good practice that a courtesy copy is made for the new office holder. Be sure that the Town Clerk also files a copy of the signed oath with the Secretary of State's Elections Division.

RSA 42:3 states that you can be sworn in:

- After results are declared, if no other person was a candidate on the ballot for that office and no write-in candidate received 5 percent or more of the votes cast for that office;
- After the recount request period has expired, which is after Friday following the election, IF no recount requested (RSA 669:30); or,
- After the recount, if requested.

According to RSA 42:6, it is a violation if the oath is not taken, either six days after personal notice of election, or thirty days after election.

Notifications

- Notify DRA of the new Tax Collector's (TC) and Deputy Tax Collector's (DTC) name, official title and contact information. Check the link for the PDF document listing the Assignments of Municipal Bureau staff. This link can be found on the DRA Municipal Bureau webpage at <http://revenue.nh.gov/mun-prop/municipal/index.htm>. Once you have found your municipal auditor, open the Contact information document on the same webpage for the best method of contact.
- Also, be sure to notify the Secretary of the New Hampshire Tax Collectors Association (NHTCA) of your contact information. The Association has multiple training opportunities throughout the year for you and your staff and is a great source to network with your peers. The NHTCA website can be found at <http://nhtaxcollectors.com/wp/>.
- If the Town Clerk is also a municipal agent for the NH-DMV or is a combined Town Clerk/Tax Collector, please check with the other applicable state agencies for their recommendations/requirements.

Audit

Complete an audit when the outgoing tax collector leaves office. This practice is mandatory according to state law (RSA 41:36) and an excellent internal control. Additionally, the outgoing collector should complete a form MS-61 for the present fiscal year ending the last day in office with attendant fiscal notes, if applicable. If there is a lag in time between the last day of the outgoing TC and the audit, please refer to your local auditor for specific details and guidance in this process.

It is also a best practice that the new collector also completes a Form MS-61 upon succession of office. Comparing both versions of this form will ensure that any discrepancies can be resolved in a timely manner. More information on completing the MS-61 can be found in the section entitled "Annual Audit Requirements."

RSA 41:6 Surety Bond Required

- “I. Town treasurers, trustees as provided in RSA 31:22 and 23, trustees as provided in RSA 53-B:8-a,l, library trustees including alternate library trustees, if any, town clerks, tax collectors and their deputies, agents authorized to collect the boat fee, and persons delegated treasury functions under RSA 41:29, VI shall be bonded by position under a blanket bond from a surety company authorized to do business in this state. The bond shall indemnify against losses through:
- (a) The failure of the officers covered to faithfully perform their duties or to account properly for all moneys or property received by virtue of their positions; or
 - (b) Fraudulent or dishonest acts committed by the covered officers.
- II. A blanket bond may exclude the town treasurer if a separate fidelity bond for the faithful performance of his duties is furnished by the surety writing the blanket bond.
- III. Premiums shall be paid by the town.
- IV. The required bonds shall provide for at least a 2-year discovery period from the date their coverage terminates.
- V. The commissioner of revenue administration shall adopt rules under RSA 541-A, concerning the amount and form of the surety bonds required under this section.”

RSA 41:6 requires the Department of Revenue Administration to adopt rules for calculating the minimum required surety bond amounts for municipal officials. The following worksheet provides guidance to municipalities on how to apply the Commissioner’s adopted rules to calculate the minimum coverage for applicable officials.

- Determine which municipal officials should be bonded pursuant to RSA 41:6, and Rev 1903.6. In general, it would be anyone holding or processing municipal funds or property.
- Determine the estimated amount of collections or revenues that flow through that position. See the non-inclusive list below of types of revenue accounts that would generally be applicable for the listed position.
- Verify that the amounts are reasonable in comparison to the prior year and that there are explanations for any sizable changes in amounts. Revenue or expenditure variances might be from a bond, grant, or project.
- Refer to the chart in Rev 1903.6 to calculate the minimum surety bond coverage amounts.
- Table 1900.1 provides the minimum coverage requirement. We encourage contacting your surety bond provider for their recommended coverage amounts.

Sample positions	Account #	Account Title	Estimated Revenue Amount	Minimum Surety Bond per Table 1900.1 & 1903.6
Treasurer		Tax Commitment		
		All Other Revenues		
Tax Collector	3120	Land Use Change Tax		
	3180	Resident Tax		
	3185	Yield Tax		
	3187	Excavation Tax		
	3189	Other Tax		
	3190	Interest & Penalties		
Town/City Clerk	3210	Business Licenses		
	3230	Building Permits		
	3290	Other Fees		
Trustees of Trust Funds	See MS-9 Report	Trust and Capital Reserve Funds		15% of Funds in custody at FY End (See Rev 1903.6(d))

Rev 1903.06 – Minimum Bond Requirements for Municipal Officials

(a) The schedule for determining:

Collections From	To	Bond Required
\$1	\$5,000	\$1,000
\$5,001	\$10,000	\$2,000
\$10,001	\$20,000	\$3,000
\$20,001	\$35,000	\$7,000
\$35,001	\$50,000	\$8,000
\$50,001	\$65,000	\$10,000
\$65,001	\$80,000	\$12,000
\$80,001	\$100,000	\$15,000
\$100,001	\$140,000	\$17,000
\$140,001	\$180,000	\$22,000
\$180,001	\$220,000	\$27,000
\$220,001	\$260,000	\$32,000
\$260,001	\$300,000	\$36,000
\$300,001	\$375,000	\$38,000
\$375,001	\$450,000	\$40,000
\$450,001	\$550,000	\$42,000
\$550,001	\$650,000	\$44,000

\$650,001	\$750,000	\$46,000
\$750,001	\$850,000	\$48,000
\$850,001	\$925,000	\$50,000
\$925,001	\$1,000,000	\$52,000
Greater Than 1,000,000		\$52,000 plus 1% of excess of \$1,000,000 in estimated revenues

(b) The minimum bond requirements **shall** apply to the following municipal officials:

- (1) Tax collectors;
- (2) Deputy tax collectors, except for cities where the deputy shall be bonded at 50% of the estimated taxes collected by the tax collector's office;
- (3) Treasurers;
- (4) Deputy Treasurers;
- (5) Municipal clerks;
- (6) Deputy municipal clerks; and
- (7) Boat fee agents.

(c) The required bond amount for a combined position of municipal clerk and tax collector shall be in the combined amount of the 2 positions.

(d) The amount of the bond required of all trustees of trust funds shall be 15% of all funds in their custody as of the end of the fiscal year.

(e) All trustees of trust funds shall be covered under the same position schedule bond.

(f) The amount of the bond required of library trustees and, pursuant to RSA 41:6, alternate library trustees, if any, who have custody of trust funds pursuant to RSA 202-A:22 and RSA 202-A:23, shall be 15% of all funds in their custody as of the end of the fiscal year.

(g) Additional officials may be bonded at the discretion of the municipality.

Recommittal Warrants

Ensure that recommittal warrants are issued by your Board of Selectmen for the outstanding amounts of each type of tax, e.g. property, timber, excavation, land use change, etc. (RSA 41:36) If not automatically presented, the successor collector should remind the selectmen that taxes cannot be collected until the recommittal warrant is issued.

[NOTE: Please edit the items in BLUE type.]

SAMPLE
RECOMMITAL WARRANT
{Insert type of tax, e.g. PROPERTY, YIELD, etc.} TAXES
STATE OF NEW HAMPSHIRE

{Insert Name of County} ss:

To {insert name of Tax Collector}, Collector of Taxes for the Town/City of {insert name of the municipality} in said County:

In the name of the said state you are hereby directed to collect the taxes in the list herewith committed to you, the same being the uncollected balance of the warrant as committed to {insert name of previous Tax Collector}, Collector of Taxes for the year {insert tax year}, and amounting in all to the sum of {insert amount} with interest thereon at the rate of eight percent (8%) beginning April 1, 2019 as appropriate, from the date that the original warrants were issued.

And you are further ordered and directed to accept payments in redemption from the tax lien(s) held on {insert lien date}, for unpaid taxes of {insert tax year}, said unredeemed accounts amounting in all to the sum of {insert amount} with interest thereon at the rate of eighteen percent (14%) per year beginning with 2019 lien from date of said tax lien.

And we further order you to pay all monies collected to the Treasurer of said Town/City at least on a weekly basis, or daily whenever tax receipts total \$1,500 or more, or more often as may be required by the Commissioner of Revenue Administration.

Given under our hands and seal at said {insert name of the municipality}, New Hampshire, this {insert day} day of {insert month}, in the year {insert year}.

(SEAL)

Selectmen of {insert name of the municipality}, New Hampshire

Introduction to New Hampshire Municipal Government

Overview

What is the purpose of government in a democracy? One answer is to provide those services for the public, which we cannot reasonably provide as individuals. Chief among these are protection from harm and fire. Other purposes are to supply an education for our children or to provide roads, sewers, parks and libraries. All of these public goods can be more efficiently provided by a group.

In New Hampshire, these services are provided in the manner prescribed by voters. In the case of sewers, by adopting the provisions of RSA 149-I, the voters have given the supervision of sewer services to the sewer commissioners. The State Legislature, by enacting RSA 202-A, has given the supervision of libraries and properties connected with them to the library trustees. Some towns, by adopting provisions of RSA Chapter 32:14-24, have given the power to budget committees to formulate recommended budgets.

There are many individuals, for example the Treasurer, Town Clerk or Tax Collector, who are charged with the provision of services for their community. Additionally, many groups, such as the Board of Selectmen, Councilmen, Trustees (Trust Funds, Library or Cemetery) and Commissions (Conservation, Sewer or Water), that also have the authority to provide municipal services. These individuals and groups have their own powers, duties and obligations as defined by law. All must cooperate to achieve the common goal of providing efficient and cost effective services for their constituents.

The purpose of this overview is to describe the various offices and boards, to define their principal duties and obligations, and the powers to carry them out. Who authorizes expenditures and who is the custodian of the funds? Are year-end reports required? How do these various boards and offices fit into the general design of providing efficient services to the people?

Every town has four primary offices. In cities the titles may be different, but the duties are much the same. These four offices are: the Board of Selectmen (City Manager or Mayor); office of the Treasurer; office of the Town Clerk (City Clerk); and the office of the Tax Collector. These offices have been established by acts of the legislature or by town or city charters and cannot be easily changed or overridden by town meeting or the city council. Per RSA 669:7, most of these offices are incompatible with one another in that certain offices cannot hold two positions at the same time. For example: a selectman cannot at the same time hold the office of treasurer or tax collector. An exception is that the offices of town clerk and tax collector can be combined into one position by vote at the annual town meeting in accordance with RSA 41:45-a (or by city charter).

RSA 41:8 Office of the Selectmen

The selectmen shall manage the prudential affairs of the town and perform the duties prescribed by law. The board of selectmen is composed of either three or five members, as provided for in RSA 41:8-b. If the responsibility to administer the town's operation has not been specifically assigned to someone else by law, the responsibility belongs to the selectmen.

Pursuant to RSA 76:10, the board of selectmen can also be the town's assessors. They determine the value of all properties in the town. Once a tax rate has been established, each taxpayer's fair share of the taxes is committed to the tax collector for collection, as is required by RSA 76:10. This commitment is in the form of a warrant and accompanying lists charging the collector with the amount to be collected. The document must be signed by a majority of the board of assessors. RSA 76:16 states that the selectmen for good cause may

abate any tax assessed, and RSA 76:17-d authorizes them to apply all or a portion of any taxes abated, along with interest, to any outstanding taxes.

The selectmen also have financial responsibilities. RSA 41:9 requires the selectmen to turn over all receipts to the treasurer, stating from whom and for what purpose the funds were received. They must also direct the treasurer to pay bills with proper vouchers; keep accurate financial records; post or publish a general fund balance sheet in the annual report; and address any general fund deficit at the town meeting. In addition, if town meeting votes to sell land, it is the selectmen who sign the deed.

Finally, the selectmen are responsible for establishing and maintaining appropriate internal control procedures to ensure the safeguarding of all town assets and properties, RSA 41:9, VI.

RSA 41:35 Office of the Tax Collector

The duties of this office as defined in RSA 41:35 are to collect the taxes that have been committed to them by the assessors and to keep in suitable books a fair and accurate account of all that has been committed, paid and abated. The tax collector must also remit to the treasurer the monies collected. Failure to deposit on a timely basis shall be cause for immediate removal from office. Under RSA 41:39, the New Hampshire Department of Revenue Administration exercises general supervision over the tax collectors of the state and their performance relative to administering the collection of taxes.

The relationship between the tax collector and the assessors is a very important one. As required by RSA 76:10, the assessors commit the taxes to the tax collector in the form of a warrant with accompanying lists, informing the tax collector as to the amount to be collected. The document must be signed by a majority of the assessors. Without this document, the collector is not authorized to collect these taxes (except as described in RSA 80:52-a). Tax collectors are required to closely scrutinize and certify their property tax warrant amount to us. Pursuant to RSA 76:10, II, any discrepancies above ½ % are to be reported to the assessors for correction and a revised MS-1 must be submitted to DRA so the tax rate can be recalculated prior to tax bills being issued. Questions for assistance should be directed to Municipal Bureau at 230-5090.

In accordance with RSA 41:35, Duties of Collector, the tax collector shall remit all money collected to the town treasurer or to the town treasurer's designee as provided in RSA 41:29 VI, at least on a weekly basis or daily whenever tax receipts total \$1,500 or more. The penalty for not remitting in a timely manner can be immediate removal from office. Pursuant to RSA 41:29 VI, treasurers may delegate deposit, investment, record keeping, or reconciliation functions. This delegation and the procedures must be in writing and agreeable to all parties involved.

Pursuant to RSA 41:35, the tax records are public records. Anyone can ask to see the tax records and has a right to that information. It must be during working hours and at the convenience of the tax collector. We suggest tax collectors not leave someone alone with original records. RSA 41:35 also states that upon written request, a tax collector shall furnish the selectmen with a list of uncollected taxes as of the end of the year. One reason for that list is to facilitate the audit allowing the auditors to verify information contained on the list of uncollected taxes.

The tax collector must make a written year-end report of the accounts on form MS-61, Tax Collector's Report. A copy of that report should be printed in the town annual report and another copy sent to DRA. This report covers all phases of tax collection including liens and redemptions.

If the tax collector is appointed pursuant to RSA 41:33, the appointment shall be made prior to April 1st by the board of selectmen. There must be a written contract with the tax collector outlining the terms of compensation.

RSA 41:38 states in part, "...the tax collector shall appoint a deputy with the approval of the selectmen..." "Shall appoint" means "must" appoint a deputy. Appointing a deputy is one way to ensure that the office will keep functioning if the collector leaves for any reason. The collector is responsible for the deputy and also has the power to remove the deputy from office.

RSA 41:29 Office of the Treasurer

The treasurer is the custodian of town money and pays out these funds on order, with some exceptions, of the board of selectmen. While the office of treasurer has custody of conservation commission funds, it is the conservation commission that orders payments from these funds. Town funds received by the town clerk, tax collector and the selectmen must be remitted to the treasurer or the treasurer's designee except as provided in RSA 41:29 VI, where treasurers may delegate deposit, investment, record keeping, or reconciliation functions. This delegation and the procedure must be in writing and agreeable to all parties involved. Pursuant to RSA 41:29, another duty of the treasurer is to invest the town's funds with approval of the selectmen, in accordance with the town's investment policy and within the guidelines specified in the statute. Treasurers are required to submit a copy of their annual report of expenditures and receipts to the Department of Revenue, as well as to the town.

RSA 41:16 Town Clerk

This position might be described as the town's recording secretary. RSA 41:16 states in part, "...a town clerk who shall record all votes passed by the town..." This places the duty of keeping the record of town meeting on the town clerk. The minutes are a permanent record of the town. These records or minutes are of great importance because they contain all articles that town meeting has adopted over the years. Without these minutes you may not be able to prove in court if and when ordinances were adopted, or when a bond issued was voted. We cannot stress too strongly the need for complete and accurate records.

Another duty/responsibility of the office of town clerk is to record the history of the town and be the custodian of such items as the blotter books, abatements, appointment of officials, etc.

Pursuant to RSA 76:7, if the selectmen or assessors do not have an office, which is open to the public five days a week during normal business hours, then they must leave a copy of the current tax records and abatement records with the town clerk.

Finally, the office of town clerk collects money such as motor vehicle registrations. The clerk is required to keep an account of the money received for fees collected and is required to remit all money collected to the treasurer or the treasurer's designee at least on a weekly basis unless the amount on hand is less than \$1,500. Failure to remit permit fees on a timely basis as required by RSA 261:165 shall be cause for the immediate removal from office under 41:40.

If any part of a town clerk's compensation is from fees, the clerk must submit an invoice for those fees to the treasurer. The treasurer is authorized to make payment to the town clerk for that amount.

RSA 32:14 Budget Committee

The budget committee has the authority to recommend spending levels and formulate the operating budget that will be presented at town meeting.

To formulate a budget, the budget committee has the responsibility to confer with department heads and obtain estimates of receipts and expenditures for the coming year. The selectmen must also prepare and submit to the budget committee a complete budget. Their budget will be presented on the posted budget form along with the budget recommended by the budget committee.

The budget committee is also charged with seeing that the provisions of the municipal budget act (RSA 32:14-24) are followed. The budget committee may request of the governing body, town manager, or other administrative official, a comparative statement of all appropriations and expenditures. In addition, the committee shall meet periodically to review those statements (RSA 32:22).

If expenditures are found to be made without an appropriation, or if the total expenditures exceed total appropriations, the committee has the authority to petition superior court to have the offending officials removed from office. The budget committee does not, however, have authority to dispute or challenge the governing body's discretion in making transfers of appropriations as set forth in RSA 32:10.

RSA 31:25 Trustees of Trust Funds, Library Trustees and Cemetery Trustees

Each town elects trustees of trust funds to administer their trust funds. The trustees shall have the custody of all trust funds held by their town. The trustees of trust funds must adopt an investment policy for any trust funds in their custody. This policy must be reviewed annually and filed with the attorney general.

RSA 202-A gives library trustees a degree of independence in some areas. For example, they manage the affairs of the library and authorize payments. They have the power to adopt rules and regulations, to prepare operating and capital budgets, to expend income from library trusts in accordance with the wishes of the donors, to appoint a librarian and employees, and to determine compensation and terms of employment in consultation with the librarian.

Cemetery trustees have complete charge of managing the cemeteries pursuant to RSA 289, including preparing a budget and submitting vouchers for payment.

RSA 38-C:1 Public Works Commissioners

Municipalities may vote to form a board of public works commissioners. This board would be a combination of two of the following: highway agents; sewer commissioners; or, gas, electric, or waterworks system. The members may either be elected or appointed.

In towns that have adopted the provisions of RSA 149-I, the sewer commission has all the authority of the board of selectmen when administering sewers. It authorizes payment from the sewer fund appropriations and can set rates for its services. The town treasurer has custody of the sewer fund and pays these funds out on order of the sewer commissioners when appropriated. The sewer fund is kept as a fund separate from the town's general fund.

RSA 36-A Conservation Commission

The conservation commission funds are in the custody of the town treasurer but are disbursed on orders of the conservation commission. Unexpended conservation commission appropriations may be placed in the conservation fund and allowed to be carried forward from one year to the next and can be spent for their purpose without further action of town meeting (except for a hearing for a land purchase).

A conservation commission may be established for the proper utilization and protection of natural resources and for the protection of watershed resources of the city or town. The duties of the commission are to conduct research of its local land and water resources and to seek to coordinate the activities of outside groups with purposes similar to the commission's activities. The commission must keep an index of marshlands, wetlands and swamps and must recommend programs for their protection. They must keep an accurate record of their meetings and actions and must file an annual report to be printed in the town's annual report.

The commission has the power to receive gifts of money and property, both real and personal, in the name of the city or town, subject to the approval of the city council or the board of selectmen. Such gifts are to be managed by the conservation commission.

RSA 41:31 Town Auditor

Any municipality that hasn't hired an outside audit firm shall elect one or more local auditors who shall perform the duties required under RSA 41:31-c and RSA 41:31-d. Towns that engage a certified public accountant or an accounting firm to perform the required auditing function, do not generally have locally elected auditors. The locally elected auditors report their findings to the town and also to the Department of Revenue Administration on the MS-60 form. See the Audit section of this book for further information.

Different Forms of Governance Effect the Tax Rate Setting Process

RSA 37 Town Manager

In towns that have adopted the town manager form of government pursuant to RSA 37, all boards, officers, and committees of the town, upon the written request of the town manager, are required to submit to the town manager a detailed estimate of the appropriations required for the efficient and proper operation of their respective departments during the fiscal year.

The town manager is required to furnish to the selectmen on or before January 31 each year, a careful, detailed estimate in writing of the probable expenditures of the town government for all purposes for the ensuing fiscal year. (Refer to SB2 timelines, if applicable, to your municipality).

The town manager is required to submit to the selectmen an estimate in writing of the amount of revenue from all sources and the probable amount required to be levied and raised by taxation to defray all expenditures of the town (RSA 37:6 V).

RSA 40:13 Official Ballot Referenda (SB2)

The Official Ballot Referenda (SB2) is a form of town meeting that has two sessions. The first session (deliberative session) is for explanation, discussion, debate and amendments to the proposed operating budget and warrant articles. The second session (voting session) allows voters to cast their votes for local elections, zoning articles and all warrant articles. The original bill proposing the official ballot referenda was Senate Bill 2 in 1995. Legislation in 2000 made “SB2” the official name for this official ballot referenda form of government.

To adopt SB2, the local governing body must hold a public hearing at least 15 days prior to the vote. (RSA 40:14, IV) The wording to be placed on the warrant for the annual meeting is delineated in RSA 40:14, V:

Shall we adopt the provisions of RSA 40:13 (known as SB2) to allow official ballot voting on all issues before the (insert local political subdivision) on the second Tuesday of (insert Month)? (3/5 Majority Required.)

At this time, the month for holding the second session (voting) can be designated as March, April, or May. If passed, the warrant article will take effect at the next annual or special meeting. If you are currently SB2 and vote to change the date of the second session to April or May (RSA 40:14, XI, (c)) it will take effect at the next annual meeting (RSA 40:14, XI (e)).

There are a few significant changes that occur with the adoption of the official ballot referenda. First is the implementation of a second session specifically for voting. The deliberative session (first session) is similar to the traditional town meeting, but is held earlier in the year. During the deliberative session, all articles are explained, discussed, debated and amended. The articles as presented, or amended, will be placed on the official ballot and voted on at the second session. Another change is the procedure for adopting the operating budget. Under SB2, a warrant article proposing an operating budget must also have a default budget (RSA 40:13, IX (b)), which would take effect should the proposed operating budget fail. Special and individual warrant articles are separate from the operating budget as prescribed by RSA 40:13, IX. A hearing on the entire budget and default budget must be held prior to posting the warrant and budget in accordance with RSA 40:13, II-a through II-d.

Tax Collector Duties

Overview

The basic duties of a Tax Collector are codified in RSA 41:35, and mandate that the Tax Collector:

- Keep fair and accurate accounts;
 - *Every collector of taxes shall keep in suitable books a fair and correct account in detail of the taxes due, collected, and abated, and of all property sold for nonpayment of taxes, which books shall be public records.*
- Remit collections in a timely manner;
 - *A tax collector shall remit all money collected to the town treasurer, or to the town treasurer's designee as provided by RSA 41:29, VI, at least on a weekly basis, or daily whenever tax receipts total \$1,500 or more. The collector shall make final payment to the town treasurer of*

all moneys collected within 10 days after the close of the town's fiscal year. Failure to deposit collections on a timely basis shall be cause for immediate removal from office.

- Report (and be accountable) to the treasurer, selectmen, town auditors and the DRA;
 - *He or she shall submit his tax books and lists to the treasurer and selectmen for inspection and computation when requested so to do and if they discover any errors therein they shall immediately notify the town auditors thereof; and the auditors shall promptly examine the collector's records and make a written report to the selectmen and the department of revenue administration of their findings, conclusions and recommendations.*
- Have stated business hours;
 - *The collector shall be at his usual place of business, or any other place, at least one day each month for at least 2 hours continuously for the transaction of tax business, which time and place shall be printed upon the tax bills sent out by the collector.*
- File annual reports; and,
 - *The collector shall make a written report to the town at the end of each fiscal year which shall contain the amount of the taxes committed to him or her to collect; the amount of taxes collected, together with interest thereon; the amount of discounts allowed; the amount of taxes abated; the total amount of uncollected taxes; and an account of all sales of real estate by him to collect taxes. Upon written request therefore the collector shall provide the selectmen with an itemized list of the uncollected taxes at the end of the fiscal year.*
- Utilize computerized accounting systems/programs.
 - A tax collector may use automatic or electronic data processing equipment in performing his duty to keep fair and correct tax accounts. The commissioner of revenue administration shall adopt rules, pursuant to RSA 541-A, relative to the use of such equipment and the form for such accounts.

Reporting

It is incumbent upon the tax collector to keep comprehensive and accurate records. Good records form the basis for clear and accurate reports.

- **MS-61** - Tax collectors are required to make an annual written report to the town (RSA 41:35) on the municipal form MS-61 and it should be published in the annual town report. It includes a summary of the current and previous years' tax collections and a summary of the tax lien accounts.
- **Uncollected and Unredeemed Taxes** - Upon written request from the selectmen, tax collectors should provide detailed lists of uncollected and unredeemed taxes. These lists should also be provided to the town auditors for verification, but there is no requirement to publish the lists in the annual town report.
- **Annual Report** – The tax collector is responsible for a variety of financial reports that are to be included in the municipality's annual report. It is also important to note that many tax collectors include an additional communication which covers highlights of the office, including staff information, from the report year.

- **91-A Requests** – Frequently the tax collector is called to provide information for members of the public. RSA 91-A:1 states that *“openness in the conduct of public business is essential to a democratic society. The purpose of this chapter is to ensure both the greatest possible public access to the actions, discussions and records of all public bodies, and their accountability to the people.”*

The tax collector is subject to 91-A. If you have any questions on this law, the Attorney General’s staff recently updated their memorandum on this law. It can be found at:

<http://doj.nh.gov/civil/documents/right-to-know.pdf>.

All other questions regarding this law should be referred to your municipal counsel. RSA’s 91-A:4, III - V have the most relevance to the tax office:

- 91-A:4 III. Each public body or agency shall keep and maintain all governmental records in its custody at its regular office or place of business in an accessible place and, if there is no such office or place of business, the governmental records pertaining to such public body or agency shall be kept in an office of the political subdivision in which such public body or agency is located or, in the case of a state agency, in an office designated by the secretary of state.
- 91-A:4 IV. Each public body or agency shall, upon request for any governmental record reasonably described, make available for inspection and copying any such governmental record within its files when such records are immediately available for such release. If a public body or agency is unable to make a public record available for immediate inspection and copying, it shall, within 5 business days of request, make such record available, deny the request in writing with reasons, or furnish written acknowledgment of the receipt of the request and a statement of the time reasonably necessary to determine whether the request shall be granted or denied... The person requesting the copy may be charged the actual cost of providing the copy, which cost may be collected by the public body or agency. Nothing in this section shall exempt any person from paying fees otherwise established by law for obtaining copies of governmental records or documents, but if such fee is established for the copy, no additional costs or fees shall be charged.
- 91-A: 4-V ...any public body or agency which maintains governmental records in electronic format may, in lieu of providing original records, copy governmental records requested to electronic media using standard or common file formats in a manner that does not reveal information which is confidential ...

Required Submissions to the DRA

Tax Collectors are required to submit a variety of forms and documents to the DRA (RSA 21-J:13) utilizing the MTRSP. It is at the discretion of the local administrator whether or not the Tax Collector is allowed to gain permissions to the Portal, and to set up those permissions. If the Tax Collector is not granted MTRSP permissions, please forward the required documents to your local administrator for uploading.

The MS-61, 1/2% Tax Commitment Certified Verification, MS-123, and Annual Report are all required to be uploaded to the Municipal Tax Rate Setting Portal.

- **1/2% Verification** - Tax collectors are required to closely scrutinize and certify their property tax warrant amount **prior to sending out their tax bills** and send notification to the DRA. Please be sure to submit your 1/2% verification form to DRA before sending out your property tax bills. Pursuant to RSA 76:10, II, any discrepancies above 1/2% commitment amount are to be reported to the assessors in the town for correction. Possible reasons for the discrepancy could be:
 - The tax collector database being different than the assessors;
 - MS-1 doesn't match the database;
 - Rounding;
 - Incorrect billing of any utilities;
 - Negative rate due to a tax credit; and/or
 - Exemptions, credit or any inventory penalty not reconciled with assessing software.

If a correction cannot be made to generate a warrant without the discrepancy, a revised MS-1 must be submitted to the DRA in order to recalculate the tax rate prior to tax bills being issued. Questions should be directed to the Municipal Bureau at (603) 230-5090.

Additionally, RSA 76:10, II requires all tax collectors to upload copies of:

- A sample property tax bill;
- Any supplemental bills;
- The signed tax warrant; and,
- The software summary page(s).

For your reference, the following submission list is divided according to billing frequency:

- Entities that bill annually should submit the following documents:

Signed MS-61 form
Signed Tax Warrant
Software Summary Page(s)
Sample Tax Bill
Supplemental Bills
Signed 1/2% Commitment Verification

- Entities that bill semi-annually should submit the following documents:

Signed MS-61 form
Signed 1st Issue Tax Warrant
Software Summary Page(s)
Sample 1st Issue Tax Bill
Signed 2nd Issue Tax Warrant
Software Summary Page (s)
Sample 2nd Issue Tax Bill
Supplemental Bills
Signed 1/2% Commitment Verification

- Entities that bill quarterly should submit the following documents:

Signed MS-61 form
Signed 1st Issue Tax Warrant
Summary Page(s)
Sample 1st Issue Tax Bill
Signed 2nd Issue Tax Warrant
Summary Page(s)
Sample 2nd Issue Tax Bill
Signed 3rd Issue Tax Warrant
Summary Page(s)
Sample 3rd Issue Tax Bill
Signed 4th Issue Tax Warrant
Summary Page(s)
Sample 4th Issue Tax Bill
Supplemental Bills
Signed 1/2% Commitment Verification

Records Retention

Town Clerks are the record keepers of the towns and cities and have the responsibility of preserving and protecting all the vital records of the town as well as all the Town Meeting Minutes, election results, appointments, licenses and any other records as prescribed by the statutes. The Tax Collector has the responsibility to protect Tax Records which are listed in RSA 33-A:3-a.

Workplace Safety

Workplace safety should be as important as any other business function in your office. The policy should be the foundation of the safety program or manual.

It should be known to all that management personnel are accountable for the success of the town's safety program. The employer should provide responsibility lists to all supervisors and management personnel and their job descriptions should include these provisions. Job performance evaluations and other incentives can reflect the town's commitment to safety and health success.

Most likely your town already has a Joint Loss Management Committee. They will be your best resource for guidance and written policy development. Additional resources for safety training and evaluations are:

- Local police department for workplace reviews and active scenario training;
- Fire department for workplace safety review; and,
- Your workers' compensation provider for workstation ergonomic review and training in nonviolent crisis intervention.

The New Hampshire Department of Labor (NH DOL) is the enforcement agency for workplace safety. Their guidelines for developing a written safety program can be found in the Appendix. The public sector rules for workplace safety are:

- Lab 1400 rules, Administrative Rules for Safety and Health
- Lab 600 rules, Safety Programs
- RSA 277, Safety & Health of Employees
- RSA 277A, Employees Right to Know
- RSA 281-A:64, Safety Provision

RSA 41:38 Duties of Deputy

The tax collector is required to appoint a deputy:

I. The tax collector shall appoint a deputy, with the approval of the selectmen, who shall be sworn, give bond, have the powers of tax collectors and may be removed at the pleasure of the tax collector. The deputy shall perform such duties as are assigned to him by the tax collector.

II. Provided, however, if the tax collector is temporarily incapacitated before completing the collection of the taxes committed to him, or if any necessity may arise for such action, the deputy tax collector shall serve during such incapacity. Said deputy shall possess the powers, perform the duties and be paid, as the selectmen or town meeting shall decide.

General Office Management

- Purpose/Mission Statement

A mission statement defines the continuing purpose or reason for your office's existence. It can be as simple as the first lines of the Town of Salem's mission "Collect as much tax revenue as possible to help the Town meet its financial obligations." Or it can be as long as the Code of Ethics for Tax Collectors. The mission should coincide with the objectives of the Office.

- Department Guidelines

These guidelines are specific to your department and cover many topics ranging from office hours, breaks, and visitors, answering the telephone, collection reconciliation procedures, and internal controls.

- Hours of Operation/Scheduling Personnel

Each tax collector is responsible for scheduling hours/personnel. Per RSA 41:35, "The collector shall be at his usual place of business ... at least one day each month for 2 hours continuously."

- Office Equipment Operation/Maintenance

Keep manuals for all office equipment in your procedure manual or an equipment file. Include model numbers, serial numbers, and service and supplies phone numbers with the manuals and/or in your Rolodex.

- Budget Preparation RSA 32:4

All municipal officers, administrative officials and department heads, including officers of such self-sustaining departments as water, sewer, and electric departments, shall prepare statements of estimated expenditures and revenues for the ensuing fiscal year, and shall submit such statements to their respective governing bodies, at such times and in such detail as the governing body may require.

- Customer Courtesy Statement

The quote from Lyndon B. Johnson is a good example of a customer courtesy statement and something we should all take to heart. "I don't suppose we will ever get to the point where people are pleased to pay taxes, but we owe it to them to see that the collection is done as efficiently as possible, as courteously as possible, and always honestly."

RSA 41:31-a through 41:31-d Annual Audit Requirements

All municipalities shall annually, or more often as necessary, conduct an audit of the accounts of any officer or agent handling funds of the municipality. Under this law, any municipality that has not hired an auditor under RSA 21-J:19 shall elect one or more auditors.

Documents Required for an Audit

The Tax Collector participates in the audit process through the provision of documentation. Your auditors will provide a detailed list of their specific requirements. The following list is a compilation of the documents frequently requested by auditors:

1. Tax Collector's Report (MS-61) for year-end.
2. Uncollected tax lists as of year-end for all taxes (property, excise, etc.) showing address, and amount unpaid at year-end.
3. Monthly reconciliations of all tax levies showing beginning balances, commitments, abatements, remittances to Treasurer, and uncollected taxes.
4. Lists by tax levy of signed abatement slips for all abatements issued, along with actual slips.
5. Lists of signed warrants by tax levy for all tax commitments along with actual warrants.
6. Listing of tax deeds issued to the Town (City) during the year for unredeemed taxes.
7. Remittance advice slips to Treasurer for the year and/or supporting information for deposits.
8. List of overpayments during the year and the date refunded along with the check number.
9. Credit balance listing as of year-end.
10. Cash receipts books or computerized daily cash journals for the year and subsequent year to date.
11. Recording of tax lien and related notices for the year.
12. Listing of bankruptcy notices or other reservations related notices for the year.
13. If separate checking account maintained, the reconciled bank statements and canceled checks for the year. Please sign and send a bank confirmation form to the bank to confirm the year-end balance to us. See separate instructions for completing this form.

Ethics and Public Officials

The ethical behavior of public officials is critical. Tax collectors need to be aware of their duties, and the statutes that govern those duties. To do so you should;

- Recognize that the chief function is to serve the best interests of the municipality in a manner that is independent in fact and appearance.
- Accept as a personal duty the responsibility to conduct business to the best of their ability and in fairness, impartiality, efficiency, and effectiveness.
- Work within the constraints of confidentiality laws, rules, or policies.
- Serve with respect, concern, courtesy, and responsiveness.
- Demonstrate the highest standards of personal integrity, truthfulness, honesty, and fortitude in all activities in order to inspire confidence and trust in the process.
- Avoid any interest or activity that is in conflict with the conduct of the official duties.
- Respect and protect privileged information to which there is access in the course of official duties.

Municipal Accounting Overview

Introduction

Accounting can be defined as "the art of recording, classifying and summarizing in terms of monetary transactions and events of financial character, and interpreting the results thereof." There are six basic areas of governmental accounting:

- **Bookkeeping** (Recording) - Bookkeeping involves keeping track of a municipality's financial transactions and making entries to specific accounts using the debit and credit system.
- **Posting** (Classification) - Posting transfers data from journals (books of original entry) into the ledgers (books of final entry).
- **Communication** (Financial reports) - Communication is the preparation of reports that accurately reflect the financial condition and results of financial operations. This process includes the preparation of the annual financial forms, e.g. the MS-61, due to the DRA by April 1 for calendar year and by September 1 for optional fiscal year municipalities.
- **Budgeting** (Planning) - Budgeting is a financial plan for the municipality, and also a policy statement of goals for the municipality.
- **Budget vs. Actual** (Expenditure control) - Budget vs. Actual is the report of how that budgeting financial plan actually transpired.
- **Adherence to laws** (Legal compliance) - Adherence to laws is compliance with New Hampshire law and GAAP hierarchy.

Definitions

- **Basis of Accounting** – Recognizing revenues and expenditures, expenses, and transfers, and the related assets and liabilities, in the accounts and reporting on the financial statements.
- **Budget** - Local government’s estimate of expected expenditures/revenues for the year.
- **Budget hearing** - The formal opportunity for the public to comment and ask questions about the proposed budget before it may be adopted.
- **Budget line item** - Identification and cost of a specific proposed expenditure in the budget, such as a truck or the salary for a particular position.
- **Capital budget** - A specialized budget dealing only with capital projects: those physical things such as buildings and sewers that have long lives and which may be paid for over extended periods such as 10 or 20 years.
- **Chart of Accounts** - The account titles, descriptions and numbering system expressed in the accounting rules established by the Department of Revenue Administration (DRA) in accordance with RSA 21-J:13, IV.
- **Debt service** - Payments of interest and principal on indebtedness. Indebtedness may be bonds of various sorts, notes, leases, or other instruments. The annual amount of debt service must be shown in the budget.
- **Double Entry** - An accounting system which requires that for every entry made to the debit side of an account, an entry for a corresponding amount is made to the credit side of another account.
- **Fund** - A fiscal and accounting entity with a self-balancing set of accounts used to record cash and other financial resources, with all related liabilities and equities or balances, and is segregated for the purpose of carrying on specific activities or attaining certain objectives.

Basis of Governmental Accounting Modified Accrual

Utilizing modified accrual basis of accounting results in revenue recognition in the accounting period in which they become available and measurable, and expenditures are recognized in the period in which the fund liability is incurred, if measurable, except for unmatured interest on general long-term debt, which should be recognized when due. The general fund is reported to the DRA on the MS-535 form using modified accrual.

Accrual Basis in Governmental Accounting

Accrual basis of accounting means revenues are recognized in the accounting period in which they are earned and become measurable, and expenses, rather than expenditures, are recognized in the period incurred, if measurable. In governmental accounting Enterprise and Internal Service Funds are reported on the accrual basis.

Chart of Accounts

A municipal entity's accounting system should be organized and operated on a fund basis to ensure the proper segregation of assets and the ability to maintain suitable accountability. The DRA’s administrative rules provide guidance on reporting requirements including method and basis of accounting, as well as charts of accounts for municipalities, schools, counties and village districts. The rules also provide the governmental

accounting hierarchy to follow as authoritative sources based on standards set by the Government Finance Officers Association. The rules were promulgated under RSA 21-J:17 and are REV 1700 for towns and cities, REV 2200 for counties, REV 1100 for schools and REV 2000 for village districts. These rules can be found on the DRA website at <http://revenue.nh.gov/laws/index.htm>.

Governmental Funds

According to generally accepted accounting principles (GAAP) a fund is defined as a fiscal and accounting entity with a self-balancing set of accounts recording cash and other financial resources, together with all related liabilities and residual equities or balances. Funds are grouped by category and then by fund within each category. Each fund is a separate fiscal entity and is established to conduct specific activities and objectives in accordance with statutes, laws, regulations, and for specific purposes. There are three major categories:

Category of Funds	Use
Governmental funds	Primary typical municipal functions and their related financial resources. This includes the general fund, special revenue funds, debt service funds, capital project funds and permanent funds.
Proprietary Funds	A government’s ongoing activities that are similar to those found in the private sector. These are enterprise funds and Internal Service Funds.
Fiduciary Funds	Assets held by a municipality in a trustee capacity or as an agent for individuals, private organizations, other governmental units and/or other funds. These are Pension Funds, Investment Trust Funds, Private-purpose Trust Funds and Agency Funds.

Fund Balance

Knowing the fund balance and any constraints on spending assists municipal officials, staff and the public identify available resources, assess liquidity, and better understand financial state of the entity. In accordance with the Governmental Accounting Standards Board (GASB) Statement No. 54, *Fund Balance Reporting and Governmental Fund Type Definitions*, fund balance should be displayed in the following classifications depicting the relative strength of the spending constraints placed on the purposes for which resources can be used:

- **Nonspendable fund balance**—amounts that are not in a spendable form (such as inventory) or are required to be maintained intact (such as the corpus of an endowment fund);
- **Restricted fund balance**—amounts constrained to specific purposes by their providers (such as grantors, bondholders, and higher levels of government), through constitutional provisions, or by enabling legislation;
- **Committed fund balance**—amounts constrained to specific purposes by a government itself, using its highest level of decision-making authority; to be reported as committed, amounts cannot be used for any other purpose unless the government takes the same highest-level action to remove or change the constraint. The Town Meeting, as the town government’s highest level of decision-making

authority, may authorize special revenue funds and expendable trust (capital reserve funds) in accordance with the provisions of the New Hampshire Revised Statutes Annotated (RSAs).

- **Assigned fund balance**—an amount a government intends to use for a specific purpose; intent can be expressed by the governing body or by an official or body to which the governing body delegates the authority. All appropriations shall lapse at the end of the fiscal year unless authorized in accordance with the provision of RSA 32:7.
- **Unassigned fund balance**—amounts that are available for any purpose; these amounts are reported only in the general fund.

Fund Balance Retention

An appropriate level of unassigned fund balance should be maintained. The guideline established by the NH Government Finance Officers Association (GFOA), is as follows:

- 5% to 15% of regular general fund operating revenues, or
- 8% to 17% of regular general fund operating expenditures

The municipal decision makers utilize these ranges in the determination of the adequacy of the municipality's unassigned fund balance. DRA provides a calculated reference range of fund balance retention percentage amounts in the documents issued at tax rate setting. Please note that current best practices published by GFOA recommend, at a minimum, that "...general purpose governments, regardless of size, maintain unassigned fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures."^{1, 2}

Accounting Process Cycle

1. **Recognize the transaction.**
2. **Prepare Adequate Source Documents** – This step provides the accounting documentation from the beginning of step 1. Examples of source documents would be invoices, time sheets, bank deposit slips, or receiving reports.
3. **Validate the Transaction** – Verify the transaction is proper and in order. Make sure everything matches (for example, does the purchase order number match).
4. **Record the Transaction and File the Source Document** – The transaction is entered in the journal (book of original entry). The transactions are usually recorded chronologically using the double entry system. That means both a debit and credit are recorded. The DRA administrative rules define double entry but do not require it.
5. **Post the General (and any Subsidiary) Ledgers** – This process transfers the data from the journal (book of original entry) into the ledgers that are classified according to the chart of accounts.

¹ Government Finance Officers Association (GFOA), (2009), Best Practice: Determining the Appropriate Level of Unrestricted Fund Balance in the General Fund.

² Government Finance Officers Association (GFOA), (2011), Best Practice: Replenishing General Fund Balance.

Examples of these accounts would be cash, accounts payable, payroll taxes, and motor vehicle registrations.

6. **Prepare a General Ledger Trial Balance** – The trial balance is a listing of the period ending balances in accounts and is the source for the preparation of all subsequent financial reports.
7. **Periodic Closing of the Books** – The books should be reconciled and closed on a monthly and annual basis. The trial balance in step 6 is the first step in this process. Generally the transactions have been recorded on a “cash” basis so adjusting entries are needed to bring the books into the basis of accounting required by GAAP.
8. **Financial Reports** – Financial reports should be prepared timely for inclusion in the annual report and to complete the MS-535 form to be submitted to DRA.

Remitting and Depositing Funds at Fiscal Year End

All receipts of the tax collector, (RSA 41:35), town clerk, (RSA 261:165), or any other fiscal officer of the municipality should be remitted to the treasurer on or before the closing date of the fiscal year. Treasurers should arrange to hold their accounts open for a few business days after the close of the fiscal year. This allows the tax collector, town clerk, or any other fiscal officer to remit receipts for the fiscal year so they can be included in the treasurer's receipts for the year. All entries should be completed and accounts balanced so they may be audited as soon as possible after December 31 or June 30.

Annual Reports

Pursuant to RSA 41:14, the selectmen must publish their financial report and those of other town officers required by law to make reports in an annual report available to the public 7 days prior to the date of the annual town meeting or deliberative session. The suggested minimum format for the annual report is shown at the end of this document. RSA 41:9, IV, requires publication of the general fund balance sheet in the annual report or it can be posted at the meeting.

Annual reports should include a "Comparative Statement of Appropriations and Expenditures," "Estimated and Actual Revenues," and a statement of bonded debt, showing annual maturities of bonds and long-term notes. These statements contain information essential to the voters and the budget committee.

A school district or village district may vote, under an article in the warrant, to require the district to print its budget in an annual report of their own and not include it with the town's annual report. *(See RSA 32:5, VII)*

Send one copy of the annual report to:

University of New Hampshire
c/o Dimond Library
18 Library Way
Durham, NH 03824-3592

Send two copies of the annual report to (RSA 201-A:18, I):

NH State Library
Technical Services
20 Park Street
Concord, NH 03301-6303

Internal Controls

Pursuant to RSA 41:9, the selectmen and village district commissioners are required to establish and maintain internal control procedures to ensure safeguarding of town assets (including cash) and properties.

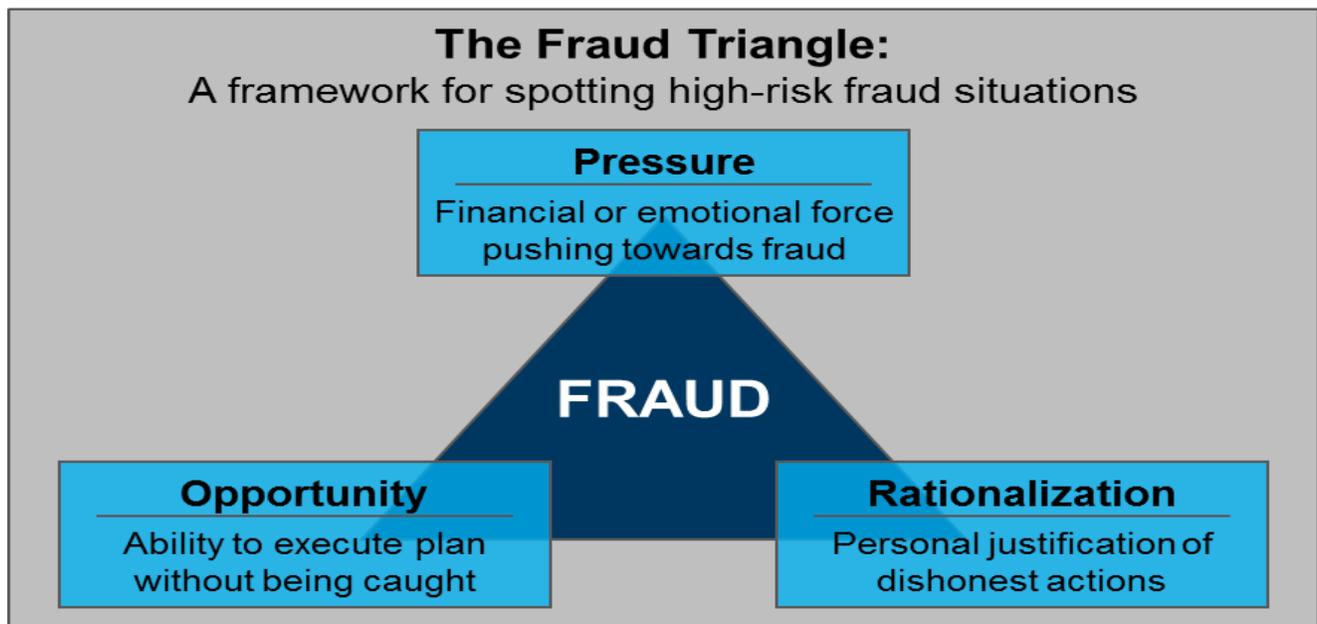
The governing body is charged with establishing a system which safeguards against misappropriation of municipal funds. Some municipalities use a voucher or purchase order system or do a detailed review of all the expenditures prior to authorizing the bookkeeper to draw checks for the treasurer's signature.

Analyze the system currently in place to determine if there is sufficient segregation of duties to safeguard the municipality's assets.

- Do the selectmen or commissioners authorize payment prior to the check being written?
- Do they sign vouchers for payment?
- How often do they review bills?
- What happens when the treasurer is out on vacation or sick leave?
- Who signs the checks and who records payments and receipts in the treasurer's books when the treasurer is absent?
- Are the receipts and copies of checks held until the treasurer's return for recording in the books?
- Is cash stored in a safe or vault until deposited?

The governing body is responsible for providing for the safeguards in the system, proper segregation of duties, and the accuracy of record keeping, including when there is a change in the routine.

RSA 41:9, VI states that the selectmen shall be responsible for establishing and maintaining internal control procedures to ensure the safeguarding of all town assets and properties. What is meant by "Internal Control?" Most of us think that internal controls are procedures to guard against the theft of money. Although "internal controls" are most recognized as a way of protecting assets and the accuracy of financial records, the internal control function encompasses much more than just the finances of a municipality.



Definition

Internal control consists of all the methods and measures used by a municipality to monitor assets, prevent fraud, minimize errors, verify the correctness and reliability of accounting data, promote operational efficiency, and ensure that established managerial policies are followed. Internal control extends to functions beyond the accounting and financial departments. It is a process used by management to provide reasonable assurance regarding the achievement of their goals and objectives and to meet their responsibilities.

Objectives

One of the most understood reasons for an internal control policy is to protect assets, namely town funds. We have all heard the stories in the news lately about the fraudulent acts of municipal employees and corporate CEO's. Other objectives are to ensure the effectiveness and efficiency of operations, to ensure the reliability of financial reporting, and to ensure compliance with applicable laws and policy objectives.

- Some basic techniques to protect assets are to make timely deposits, store cash in a safe place, properly segregate duties, and maintain up-to-date inventory records.
- To ensure the Effectiveness and Efficiency of operations. This could be thought of as getting the most "bang for the buck." Examples would include policies requiring competitive bidding for inventories and fixed assets and maintenance schedules that would insure the maximum useful life of all assets.
- To ensure the Reliability of Financial Reporting. Are duties properly assigned and segregated? Are account reconciliations done on a regular basis? Are records audited on an annual basis?
- To ensure Compliance with Applicable Laws and Policy Objectives. The governing body needs to identify these laws, institute policies, establish controls, and document compliance.

Control Environment

The control environment can be viewed as the most important component in establishing and maintaining internal control policies and procedures. The remaining components will be ineffective without a strong control environment. The governing body's attitude toward internal controls will play a significant role in whether policies and procedures will be adhered to. The governing body must communicate to all employees and other elected officials the importance of those controls.

Control Activities

Control activities are the established structure, policies, and procedures to deal with the identified risks that could prevent the town from achieving its goals and objectives. There should be at least one compensating control for each identified risk. Control activities consist of such things as, proper segregation of duties, appropriate levels of management authorizations, performance measures, and policies and procedures. Following are a few examples of each of these activities.

Risk Assessment

Once clear and consistent objectives and goals have been established, it is time to do a risk assessment. The town needs to identify the risks, both internal and external, that could impede the efficient and effective achievement of those objectives and goals. The following are some examples of internal and external risk factors:

Internal Risk Factors

- Lack of Segregation of Duties
- High Staff and Elected Official Turnover
- Lack of Personnel and Town Policies
- Lack of Qualified Personnel and Limited Training Opportunities
- Computer System Conversions

External Risk Factors

- Economic Factors (rising oil prices, decreasing revenues, such as, MV permit fees)
- Major Suppliers and Contractors
- Legislative Changes
- Technological Changes

The following are examples of some of the questions that would be asked when trying to identify potential risks involved with accounting and financial reporting:

- Will accounting errors be detected?
- Have all items been properly classified?
- How do we know that anything has been omitted?
- How do we know that all recorded transactions and events actually took place or have been omitted?
- Cash receipts could be stolen without detection?
- The lack of passwords will allow undocumented access to fraudulently edit records?
- Unnecessary or unauthorized overtime will be incurred?

Segregation of Duties

- **Custody of Assets** - If possible, no one individual is allowed to work alone with cash, negotiable securities, or other highly vulnerable assets.
- **Authorization/Approval of Transactions that Affect Municipal Assets** - No one individual is allowed to control all key aspects of a transaction or event.
- **Recording or reporting of related transactions** - The same person should not be allowed to authorize a transaction, record the transaction or maintain custody of the asset resulting from the transaction.

The objective of segregation of duties is to prevent one person from having access to assets and the responsibility for maintaining the accountability or authorizing transactions affecting those assets. Employees should have responsibilities in only one of the above mentioned functions. A higher level of risk, as found with negotiable assets (cash, checks, and inventory), creates a greater need to implement appropriate segregation of duties. Many small municipalities do not have the resources available to adequately segregate the basic responsibilities since financial duties are usually concentrated in one or two individuals. Compensating controls should be implemented in this situation. Compensating controls are oversight procedures designed to reduce the risk of errors and increase the rate of fraud detection through the regular review of work performed by individuals performing financial duties. A governing board member or an internal auditor should

be designated to review regularly financial reports, bank statements and check images in order to detect and reduce instances of material errors or fraud.

Management Authorizations

- Only specified individuals should be able to initiate a transaction. In most instances this will be the governing body. An exception could be the Recreation Director appointed as agent for a recreation revolving fund.

Performance Measures

- The governing body routinely reviews actual performance against budgets, forecasts, and prior period results.
- Measures should be based on goals and objectives

Documented Policies and Procedures

- For identification and protection of any critical assets
- For inventory control
- For personnel
- On performance, evaluation and feedback
- Takes the form of a narrative describing how various transactions and events are processed
- Can be further developed into a flow chart, which visually represents how transactions and events are processed
- Provides a tool for identifying potential risks and weaknesses along with compensating controls
- Must clearly disclose who is performing each step of each process, what is involved in each step of each process, any resulting documentation

Information

- Internal and external;
- Available on a timely basis;
- Presented at the right level of detail; and,
- In compliance with applicable laws and regulations.

Communication

- Must permeate all elements of the internal control framework;
- Must be clear lines throughout the organization as well as with outside parties;
- Takes many forms, such as, well documented and periodically updated policies and procedures; and,
- In order for employees and other elected officials to carry out their duties and responsibilities efficiently and effectively, the governing body must be able to effectively control the flow of information through skillful communication.

Monitoring

Once internal controls are set in place, they should be monitored and assessed on a regular basis and if necessary, revised. Some activities that could be used for monitoring are periodic reconciliations, verifications, and analytic reviews. Some examples of these are:

Periodic Reconciliations

- Reconcile the cash reported in accounting records with the balance reported on bank statement.
- General ledger accounts (such as taxes receivable) should be reconciled to related amounts reported in subsidiary ledgers (individual tax payer accounts).

Verifications

- Undertake a physical inventory and compare with accounting records.
- Occasionally confirm balances in receivables and payables directly with taxpayers and suppliers.

Analytical Reviews

- Compare what is reported to what might reasonably be expected.
- Compare results with prior periods taking into consideration any known changes for revenues and expenses.
- Compare budget to actual for revenues and expenses.

Types of Internal Control

Preventive

These are controls used to prevent an undesired outcome from happening. Some examples of preventive controls are:

- Inventory records (tracks whether inventory is still in operation and where it is located)
- Controls over purchases (review, approval policies in place)
- Cash Controls (cash deposited daily or if necessary in a locked safe)

Detective

These are controls used to find and correct errors that have already happened. Some examples of detective controls are:

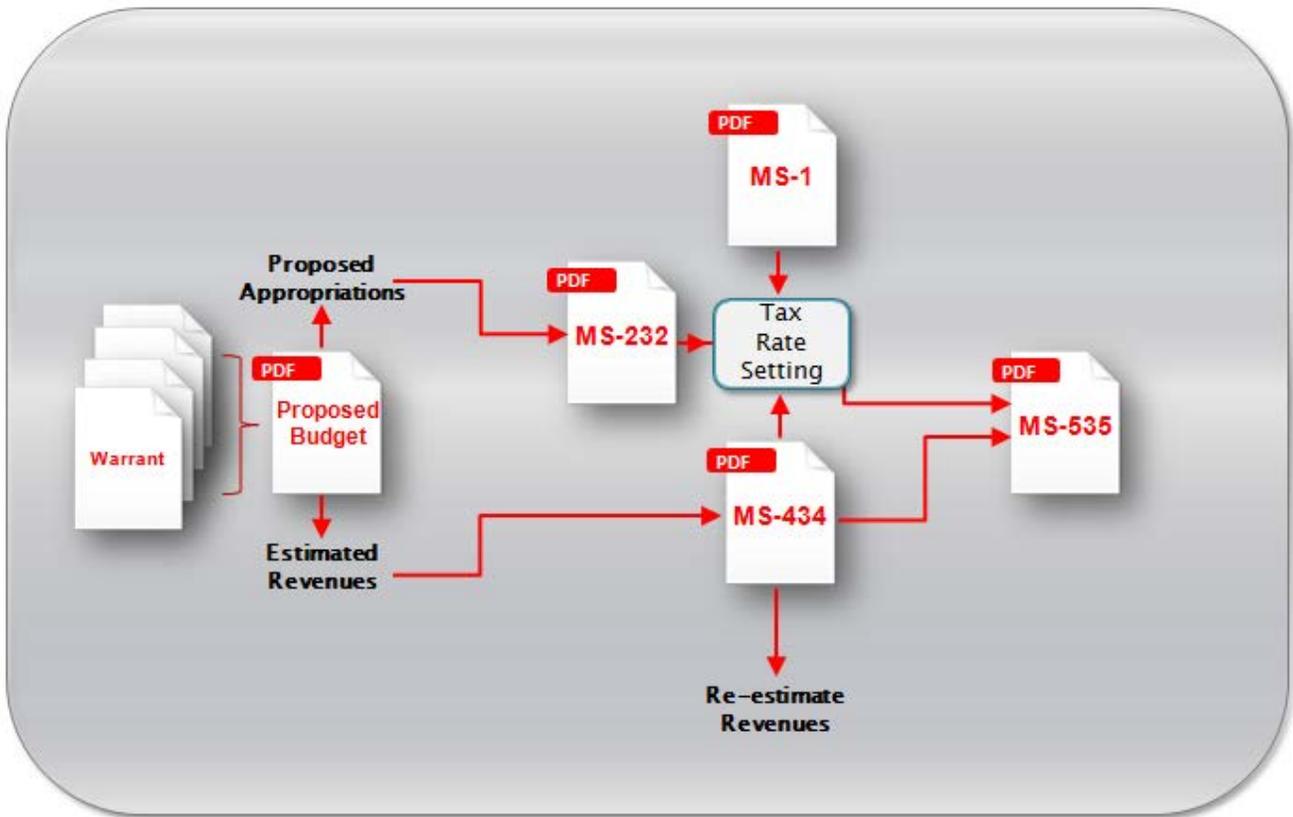
- Controls over financial reporting (reconciled bank statements, revenue reports, and trial balances given to governing body).
- Proper segregation of duties (the same person does not collect money, deposit money, and reconcile the accounts)

Internal control is a process used by management to provide reasonable assurance regarding the achievement of goals and objectives. These goals include safeguarding assets, ensuring effectiveness and efficiency of operations, assuring reliability of financial reporting, and fostering the compliance with applicable laws and policy objectives. These goals and objectives will only be achieved if management views them as being important and communicates to all employees and other elected officials of the importance of internal controls, assesses both internal and external risks, establishes control activities to deal with these risks, effectively and efficiently controls the flow of information, and monitors, assesses and if necessary revises the control activities.

Tax Rate Setting Process in New Hampshire

Tax Rate Setting Process (TRS)

The tax rate setting process starts with the municipality or petitioner creating a warrant article to be presented at town meeting or for vote in official ballot referenda communities (RSA 40:13, Senate Bill 2 (SB2)). The proposed budget is created, accounting for the fiscal impact of the proposed appropriations and any revenues noted in the warrant articles. After proposed articles pass/fail by votes of the legislative body of town meeting, town/city councils, or the voters in SB2 communities, the voted appropriations are reported in the MS-232. Revenue estimates are reported in the MS-434 and reviewed/revise in the MS-434R. The tax rate is set utilizing the data provided in these forms and the data reported in the MS-1 completed by the municipal assessors. After year end, towns/cities report their actual expenditures and revenues in form MS-535.



Three Finger Rule

During the tax rate setting process the selectmen or city council may want to use unassigned fund balance to reduce the town/city's portion of the tax rate. Use the "three-finger rule" to estimate how the fund balance will affect the tax rate.

Example 1:

Assuming **Line 21** (Net Valuation) from the MS-1 Report = **\$10,000,000**

1. Drop the last 3 digits (in this case 000) = \$10,000
2. A Fund Balance of \$10,000 = Lowers the Rate by \$1.00
3. A Fund Balance of \$5,000 ($\$10,000 \times .50$) = Lowers the Rate by \$0.50
4. A Fund Balance of \$1,000 ($\$10,000 \times .10$) = Lowers the Rate by \$0.10

Example 2:

Assuming **Line 21** (Net Valuation) from the MS-1 Report = **\$234,107,983**

1. Drop the last 3 digits (in this case 983) = \$234,107
2. A Fund Balance of \$234,107 = Lowers the Rate by \$1.00
3. A Fund Balance of \$117,054 ($\$234,107 \times .50$) = Lowers the Rate by \$0.50
4. A Fund Balance of \$23,410 ($\$234,107 \times .10$) = Lowers the Rate by \$0.10

Estimating the Tax Impact of an Appropriation

To calculate the tax impact of an appropriation article, you need to know the net valuation figure found on Line 21 of the MS-1 Report. The appropriation amount (net of offsetting revenues) is divided by the net valuation and then multiplied by \$1,000.

Example 1:

Assuming **Line 21** (Net Valuation) from the MS-1 Report = **\$234,107,983**

1. Divide Appropriation (Net of Offsetting Revenues) by Net Valuation (Line 21) and Multiply by \$1,000.
2. Appropriation = **\$15,000**
3. Net Valuation = **\$234,107,983**
4. $\$15,000 / \$234,107,983 = .000064$
5. $.000064 * \$1,000 = \mathbf{\$.064}$ per thousand

For a \$300,000 home, the tax impact would be approximately \$19.20

$$300,000 * .064 / 1,000 = \mathbf{\$19.20}$$

Uploading Files to MTRSP

- Log in to the Portal (<http://proptax.org/nh/>) with your username and password
- On the Home screen, scroll to the bottom of the page where the documents table is located. The table has multiple tabs at the top for the different categories of documents.

Document	Due Date	Status	Submitted Date	Approval Date	Go To	Notes
Report of Borrowing (MS-50)					Upload Attachment	
Revised Estimated Revenues (MS-434)	9/1/2019					
Financial Report of the Budget (MS-535)	4/1/2019					
Tax Collector's Report (MS-61)	3/1/2019				Upload Attachment	
Total Assessed Value (MS-1)	9/1/2019					
Report of Trust and Capital Reserve Funds (MS-9)	3/1/2019					

- For each document that must be uploaded, there will be an “Upload Attachment” link. Click the corresponding link for the file you wish to upload. This will bring you to the upload page, shown below.

Uploads Albany 2019

Step 1
Form Templates:
Tax Collector's Report (MS-61)

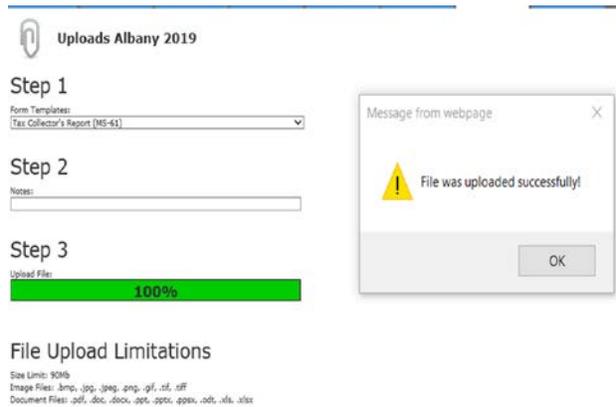
Step 2
Notes:
[Text Area]

Step 3
Upload File:
[Browse...]

File Upload Limitations
Size Limit: 90Mb
Image Files: .bmp, .jpg, .jpeg, .png, .gif, .tif, .tiff
Document Files: .pdf, .doc, .docx, .ppt, .pptx, .ppsx, .odt, .xls, .xlsx

- “Form Templates” is a drop-down with various options where you will tell the system what type of document you are uploading. The system will automatically make the initial selection for you.
- “Notes” will allow you to enter a limited amount of text for reference purposes. This is optional and will be displayed in the “Notes” column of the Document Table you saw on the Home screen after the upload has been completed.
- With the proper template selected and any optional notes entered, click “Select File” and navigate to the file you wish to upload.

T



- The box will turn green, indicating that the system has validated the file. A message box will appear “File was uploaded successfully!” click “OK”. **Note that this may take a few moments on slower connections and with larger files.**

Uploading FAQs

I receive a Server Error when attempting to upload a file. What causes this?

This can occur if you click the “Upload” button before the system has validated the file and the “Attachment” field has turned green. Often, the file will still upload properly.

How can I tell if a file has been uploaded correctly?

In the documents table on the Home screen, click the “View Attachment” link to the right of the document that you just uploaded.

How can I upload revised versions of documents?

Simply click “Upload Attachment” to the right of the document that you wish to upload a new file for. You can have multiple uploads for each document. We recommend using the “Notes” field to distinguish new versions of existing documents.

Can I delete files that I have uploaded?

No, as a user you cannot delete uploaded files. If you uploaded a file in error, you may contact your auditor and they will remove it.

What types of files can I upload?

We recommend the use of Adobe PDF (.pdf), Microsoft Word (.doc and .docx), or Microsoft Excel (.xls and .xlsx) if possible. File size is limited to 60mb (61,440kb). If you have a file larger than this, you should contact your DRA Auditor for other options.

Form MS-61 Preparation

The office of the Tax Collector is an integral part of the Town’s finance operations due to its status as the collector of the largest revenue source to in the municipality. Because of the related volume of transactions, it is essential that the records are kept up to date and reconciled daily, internally, and at least monthly with the finance department or treasurer, as applicable.

As described in the New Hampshire state statute RSA 41:35 *Duties of the collector*, “I. Every collector of taxes shall keep in suitable books a fair and correct account in detail of the taxes due, collected, and abated, and of all property sold for nonpayment of taxes, which books shall be public records. A tax collector shall remit all money collected to the town treasurer, or to the town treasurer's designee as provided by RSA 41:29, VI, at least on a weekly basis, or daily whenever tax receipts total \$1,500 or more. The collector shall make final payment to the town treasurer of all moneys collected within 10 days after the close of the town's fiscal year. Failure to remit collections on a timely basis as required by this paragraph shall be cause for immediate removal from office under RSA 41:40. He or she shall submit the tax books and lists to the treasurer and selectmen for inspection and computation when requested so to do and if they discover any errors therein they shall immediately notify the town auditors thereof; and the auditors shall promptly examine the collector's records and make a written report to the selectmen and the department of revenue administration of their findings, conclusions and recommendations. The collector shall be at a usual place of business, or any other place, at least one day each month for at least 2 hours continuously for the transaction of tax business, which time and place shall be printed upon the tax bills sent out by the collector. The collector shall make a written report to the town at the end of each fiscal year which shall contain the amount of the taxes committed to him or her to collect; the amount of taxes collected, together with interest thereon; the amount of discounts allowed; the amount of taxes abated; the total amount of uncollected taxes; and an account of all sales of real estate to collect taxes. Upon written request therefore the collector shall provide the selectmen with an itemized list of the uncollected taxes at the end of the fiscal year.

II. A tax collector may use automatic or electronic data processing equipment in performing his duty to keep fair and correct tax accounts. The commissioner of revenue administration shall adopt rules, pursuant to RSA 541-A, relative to the use of such equipment and the form for such accounts. Every tax collector shall keep in a suitable set of books a fair and correct amount in detail of the taxes due, collected, and abated, and of all property sold for non-payment of taxes, which books shall be public records. A tax collector shall pay all the money collected to the town treasurer at least on a weekly basis, or on a daily basis at the discretion of the commissioner of Revenue Administration. The tax collector shall make final payment to the town treasurer of all monies collected by him or her within ten days after the close of the town’s fiscal year. Failure to deposit collections in a timely manner shall be cause for immediate removal from office. He or she shall submit his or her tax records to the treasurer and selectmen for inspection when requested to do so. He or she shall make a written report to the town at the end of each fiscal year.”

The financial records of the tax collector are summarized annually in the Tax Collector’s Report (MS-61). The MS-61 needs to be uploaded to the Municipal Tax Rate Setting Portal by these dates:

- March 1 – Municipalities reporting on a calendar year basis pursuant to RSA 31:94; or,
- September 1 - Municipalities reporting on an optional fiscal year basis pursuant to RSA 31:94-a.

Daily Reconciliation

At the end of the day:

1. Add up all receipts (by tax bills or computer printout of receipts). It is a good practice to note on the bills or receipts, if the tax was paid by cash or check number, if not already gathered by software.
2. Tally all checks and cash collected.
3. Compare the receipts to the moneys collected, which should balance.
4. Print out computer tally of days' work and compare with totals of receipts and money.
5. If all three equal the same amount, prepare deposits, for daily deposit. (This can be done the next day as you probably will close out after banks close, and deposit will need to be made on the day after the work was done).
6. Prepare and sign remittance slips to be given to treasurer. (This action may need to be done prior to making deposit if treasurer or treasurer's designee personally makes the deposit). If you make the deposit, make a copy of the bank deposit ticket for your records and give the original to the treasurer with their remittance slip.
7. File: receipts or computer printouts of receipts; computer totals of days' work; copies of deposit slips; copies of signed remittances. (Crucial that you have a clear record of what money you have deposited, as well as what you have remitted to the treasurer). If abatement made or a refund given, make sure you have filed a record of those as well.

Monthly Reconciliation

Part of the duties of the tax collector is the monthly reconciliation of the deposits/remittances made to the town treasurer. This needs to be done on a monthly basis and again on an annual basis. This is an extremely important function in the reconciliation process. At the end of every month, you will need to total up the cash receipts collected, summarized by the tax type and levy year and compare this amount to what the Treasurer is reporting. These amounts should be the same. If a variance exists, you need to find out why. Perhaps one of you is using the wrong cutoff date for deposits or one of you has not accounted for a bounced check or a deposit in transit. In any event, these amounts need to be in agreement. Once you have reconciled with the town treasurer, you need to reconcile with the town accountant/bookkeeper which should include the reconciliation of balances left to be collected. If a variance exists you again need to find out why. In this case it could be that one of you is not taking into consideration abatement, refund or bounced check transaction.

Reconciliation with the finance department or Treasurer is a very important responsibility of the tax collector and an MS-61 should be prepared on a monthly basis as part of the reconciliation process. Reconciliation will be easier if you focus on one levy and one type of tax (i.e. yield, property, etc.) at a time. This method simplifies the identification of any issues with the data or transaction. Monthly reconciliation of deposits/remittances made to the town treasurer is an extremely important part of reconciling the MS-61 form.

At the end of every month, all cash receipts collected for the month, summarized by tax levy type and year, are compared to the finance/Treasurer reports. To begin this process, print all applicable month end reports and gather all corresponding supporting documentation, in order to ease this process.

The print outs and corresponding documents could include:

1. Prior month reconciliation with ending balance.
2. Starting balance (should reconcile with #1). Your trial balance should provide the majority of this information.
3. Any signed warrants issued during the month.
4. A listing of overpayments during the month, with the corresponding payment request forms used to apply for any refunds.
5. A listing of any credit balances as of the end of the month.
6. A listing of payment transactions for the month, including principal, cost and interest which have been already reconciled and confirmed with the town treasurer.
7. A listing of any abatement granted and corresponding abatement slips which have been approved by the Board of Selectmen or Board of Assessors.
8. A listing of discounts issued during the month, if applicable.
9. A listing of property taken by tax deed, if applicable.
10. A listing of uncollected/unredeemed property, yield, land use, excavation and resident tax owed as of the last day of the month. Please note that this amount should not include the credit balance mentioned in number 4.

Once all of this information has been compiled, you are now ready to start the reconciliation process which can either be done directly on the MS-61 form or an excel version provided on the NHTCA website.

RSA 80:52-a Prepayments

Prepayments are money that is collected in advance of a tax bill. RSA 80:52-a “Prepayment” states that “Any town by vote at a town meeting under a proper article in the warrant or by vote of the board of selectmen or the town council and any city by vote of its governing board may authorize the prepayment of taxes and authorize the collector of taxes to accept payments in prepayment of taxes. If a town or city so votes, any person, firm or corporation owning taxable property may, at any time before notice of the amount of taxes assessed against said property has been received, make payments on account of such taxes as will be due and the collector shall receive such payments and give a receipt therefore and credit the amounts paid toward the amount of the taxes eventually assessed against said property. In any town or city which shall vote to authorize the prepayment of taxes, the collector of taxes shall give such bond in the form and amount which the commissioner of revenue administration shall require, and the collector shall pay over all sums so received to the town treasurer under the provisions of RSA 41:35. No taxpayer shall be allowed to prepay taxes more than 2 years in advance of the due date of the taxes. No interest shall accrue to the taxpayer on any prepayment, nor shall any interest be paid to the taxpayer on any prepayment which is later subject to rebate or refund.”

RSA 80:57 Refund of Overpayments

Refund of Overpayments states “if any person tenders a payment for any taxes and/or interest, in excess of the taxes levied and interest incident thereto, the collector of taxes shall direct the selectmen to issue an order upon the town treasurer to refund to the person making such payment or his heirs or assigns the excess sum so paid; provided, however, that if the sum overpaid is \$5.00 or less, no refund shall be required unless the taxpayer in such case shall apply in writing to the tax collector for said refund within 60 days of actual payment.” If the overpayment received is \$5.00 or less and is not being refunded, then this amount should be posted as a pre-payment for the next tax bill issue.

Collections: Non-Sufficient Funds

RSA 80:52-b Checks Tendered in Payment of Taxes states that “If any person tenders a check for the payment of any taxes levied by the tax collector and the check is returned to the tax collector as uncollectible for any reason, such taxes shall be deemed not paid and the person tendering such check shall be subject to applicable tax delinquency penalties, protest and collection charges.”

RSA 80:56 Uncollectible Checks states that “Whenever any check issued to a city or town for the payment of taxes, permit fees, licenses, special assessments, water or sewer bills, for any combination of these or for any other municipal services is returned to the city or town officials as uncollectible, the city or town shall charge a fee of \$25 plus all protest, bank and legal fees in addition to the amount of said check to the person who issued such check to cover the cost of collecting the debt that the check was issued to pay. The \$25 together with any protest or legal fees collected shall be for the use of the city or town.”

Once notification of a bounced check from the town treasurer is obtained, the amount paid needs to be added back to the uncollected list and removed from the remittances to the treasurer totals. In addition, based on the two RSA’s noted above, the tax collector will assess a \$25.00 fee plus the \$15.00 fee charged by the bank when collected. Therefore, instead of the taxpayer owing \$1,000.00 he/she now owes \$1,040.00. These fees are not warranted amounts to the tax collector. Therefore, they are not reported on the MS-61. Once the taxpayer has paid, including any outstanding interest, the tax collector posts the property tax and interest, if any, payment through the property tax software, which will report it on the MS-61. The bank fees will be posted to the account designated by the finance office or Treasurer.

Abatements vs. Abatement Refunds

RSA 76:16 By Selectmen or Assessors states in part that “Selectmen or assessors, for good cause show, may abate any tax assessed by them or their predecessors, including any portion of interest accrued on such tax.”

RSA 76:17-d Abatement Refund states that “the Selectmen or assessors may apply all or a portion of the amount of any taxes abated, along with interest computed according to this chapter, to any outstanding taxes owed by the taxpayer to the municipality. Taxes shall be considered outstanding if they are subject to interest pursuant to RSA 76:13. The selectmen or assessors shall send notice to the taxpayer of the amount credited against outstanding taxes and the date the credit was recorded.”

In simpler terms, abatement is a reduction in a tax bill which has not yet been paid by the taxpayer. An abatement refund is a reduction in the tax obligation of a taxpayer who has already paid their tax bill. Abatement refunds are not recorded on the MS-61 form since the taxes have been cleared off the books once the initial payment was made. At this point, it is seen as an issue between the selectmen’s office and the taxpayer. The treasurer/bookkeeper would credit cash rather than the tax commitment. Some may argue that in order to show the complete history of the taxpayer’s account, the abatement refund should be posted to the account and subsequently to the MS-61 form. If the abatement is posted to the account it will result in a credit balance (overpayment) to the account that now requires the refund transaction to put the taxpayer’s account back to a zero balance left to collect.

Clearing the Tax Lien

Executing a lien is achieved through adjusting double entries that are part of an automated conversion to lien process. The current levy year will show no balances and the lien will be executed with fees posted. This amount will be posted on the MS-61 as “Liens Executed this Fiscal Year.”

RSA 80:76 Tax Deeded Property

“I, the collector, after 2 years from the execution of the real estate tax lien, shall execute to the lien holder a deed of the land subject to the real estate tax lien and not redeemed.” “Notwithstanding the provisions of paragraph I, the collector shall not execute a deed of the real estate to a municipality when the governing body of the municipality has notified the collector that it shall not accept the deed because acceptance would subject the municipality to potential liability... I. The collector, after 2 years from the execution of the real estate tax lien, shall execute to the lienholder a deed of the land subject to the real estate tax lien and not redeemed. The deed shall be substantially as follows:

Know all men by these presents, That I, _____, collector of taxes for the Town of _____, in the County of _____ and State of New Hampshire, for the year 20____, by the authority in me vested by the laws of the state, and in consideration of _____ to me paid by _____, do hereby sell and convey to _____, the said _____, (here describe the land sold), to have and to hold the said premises with the appurtenances to _____, forever. And I do hereby covenant with said _____, that in making this conveyance I have in all things complied with the law, and that I have a good right, so far as the right may depend upon the regularity of my own proceedings, to sell and convey the same in manner aforesaid. In witness whereof I have hereunto set my hand and seal the _____ day of _____, _____, State of New Hampshire, County of _____, Date _____

State of New Hampshire

County of _____

Signed and sworn to (or affirmed) before me on the ____ day of _____, _____ by _____ (name(s) of person(s) making statement).

(Signature of notarial officer)

(Seal, if any)

Notary Public, State of New Hampshire

My commission expires _____

When a tax deed has been taken and recorded at the registry of deeds, the corresponding property taxes and associated tax liens are removed from the tax collector's records. This information for the property subject to resale by the town should be given to the town accountant or bookkeeper so that it can be reported on the town's financial statements and tracked until it is sold. When removing the tax deeded property from the tax collector's records, you must remember to remove all of the uncollected/unredeemed taxes for all tax levies. The tax deed was taken for the whole property and not only on the individual tax levy that caused the property to go to tax deed. It is very important to note that when the tax deeded property is removed from the tax collector's records, an abatement slip is NOT obtained as a way of clearing the deeded property. Most computer software programs have a method for removing these properties. If doing this process manually, simply making a journal entry is all that is required. Be sure to share this information with your accountant/bookkeeper, if they track balances left to collect. Additionally, be sure give the assessor a list of properties that have been deeded.

Adjustments

Many of the software packages used today for tax collection have a function available to the tax collector for "Adjustments". This function should only be used to reclassify a posting from one property owner to another or from one levy to another, and, in some instances for handling bounced checks. When moving a posting from one levy to another, be sure to notify your treasurer/bookkeeper that money you have remitted to them as one levy is now being moved to another. It is important that when this function is used, it is for the purpose for which it was intended. This means that, at year-end any transactions posted through this function should net to zero. Another way to say this is that for every debit adjustment there MUST be credit adjustments of the same amount. Do not adjust tax amounts warranted to you to collect because exemptions or tax credits were left off. This requires either an abatement or abatement refund as discussed earlier. Your tax warrant **IS** your obligation to collect. The only money you do not collect is the amounts that are abated by the assessors/selectmen.

The Calendar with a Tax Year Perspective

In order to provide the majority local services and facilities requested by their citizens, municipalities rely on the collection taxes. The following calendar provides an overview of the year from the tax collection perspective.

December/January- Budget preparation; Posted warrant prepared for annual meeting; year-end closing (unless optional fiscal year of June 30 which must be opted by town); Notice of arrearage.

February/March- Year-end closing continues; Annual meeting public hearings & postings. New officers elected. Prepare for lien and deed (be sure to include “Doolan” language on notices).

April- Annual meeting documents are due to DRA; Notices for Impending Deeds (if not already completed).

May- Tax warrant to tax collector by May 15th if semi-annual RSA 76:15-a (must be adopted by legislative body or board of selectmen).

June- 1st bills go out (if RSA 76:15-a adopted).

September/November- DRA to set tax rate; tax warrants to tax collectors; 30 days for tax collector to send bills (final day to issue bills is March 31st).

December- Collect the taxes; meet to encumber appropriations if necessary; year-end closing; start budget process for next year.

Calculation of Days

There are various RSA’s that determine how to calculate days and some are listed below. This should not be considered a complete list:

RSA 21:35 Time, How Reckoned, Day Included and Excluded

“I. Except where specifically stated to the contrary, when a period or limit of time is to be reckoned from a day or date, that day or date shall be excluded from and the day on which an act should occur shall be included in the computation of the period or limit of time.

II. If a statute specifies a date for filing documents or paying fees and the specified date falls on a Saturday, Sunday, or legal holiday, the document or fee shall be deemed timely filed if it is received by the next business day [...].”

RSA 80:54 Calendar Days

“Whenever the word “day” or “days” is used in this or any other chapter of the Revised Statutes Annotated relating or appertaining to the collection of taxes, giving of notices, holding of distrained property or in making reports to a register of deeds, it shall be construed to mean calendar days and Sundays and holidays shall be included [...].”

RSA 652:18 Days Included and Excluded

“I. Except where specifically stated to the contrary, when a period or limit of time is to be reckoned from a day or date, that day or date shall be excluded from and the day on which an act should occur shall be included in the computation of the period or limit of time.

II. Whenever the election laws refer to a period or limit of time, Saturdays, Sundays, and holidays shall be included, except as provided in paragraph I. However, when the last day for performing any act under the

election laws is a Saturday, Sunday or official state holiday, the act required shall be deemed to be duly performed if it is performed on the following business day.”

RSA 39:14 Adjournment Date Falling on Sunday

“Whenever any adjournment of any town meeting shall fall upon a Sunday, it shall be held on the next secular day thereafter, at the same time and place, and the proceedings thereon at that time shall be of the same force and validity as if the meeting had been adjourned thereto [...].”

RSA 652:20 End of Day

“Whenever the election laws require a filing with or an action by an official, such filing or action shall be performed before 5 o'clock in the afternoon of the stipulated day. During the afternoon of the stipulated day, the school district clerk or his designee, or the town clerk or his designee, shall arrange his time so as to be available between the hours of 3 o'clock and 5 o'clock [...].”

Tax Commitments

Warrants and Billing

RSA 76:11 authorizes the governing body to vote to mail information or other bills with the tax bills. These inserts must be municipal business and contain no statement of position on public policy matters.

RSA 76:11-a, II and III, requires a statement be printed on the bills informing taxpayers of the types of tax relief. The law says this statement would be adequate but detail should be available for those requesting this information: "If you are elderly, disabled or blind, a veteran or veteran's spouse, or are unable to pay taxes due to poverty or other good cause, you may be eligible for a tax exemption, tax credit, abatement or deferral. For details and application information, contact (insert title of local assessing officials or office to which application should be made)."

Pursuant to RSA 76:15-a, property tax rates on bills for the optional semi-annual billing must be 1/2 of the previous year's rate. This rate is calculated by the Municipal Bureau and is included in the official tax rate documents in the fall.

Commitments

I. Prior year property tax commitments

- March 31st last day to mail prior year tax bills (RSA 76:11)
- Work with assessing officials regarding any added bills and tax lien date

2. Current year property taxes RSA References:

- May 15th deadline for semi-annual warrant to be delivered to collector (RSA 76:15-a)
- June 15th deadline for mailing 1st billing (RSA 76: 15-a)
- Duplicate bills to multiple owners (RSA 80:35)
- July 1st tax bill due date unless bills mailed after May 31st (RSA 76: 15-a)
- Tax rate set in fall
- Tax bills mailed and due 30 days later, 2nd billing due December 1st unless billed after November 1st (RSA 76:1 5-a II)
- Interest (RSA 76:13)
- Calendar days (RSA 80:54)
- Timely Mailing (RSA 80:55)
- Certification of the Warrant (RSA 75:7 Oath)

- Tax Commitment Verification to DRA (RSA 76:10, II)
- Powers of Collector (RSA 80:4)
- Liability of Collector (RSA 80:49)
- Collection By Suit (RSA 80:50)
-

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RSA 76:11-a, II and III, requires a statement be printed on the bills informing taxpayers of the types of tax relief. The law says this statement would be adequate but detail should be available for those requesting this information:

"If you are elderly, disabled or blind, a veteran or veteran's spouse, or are unable to pay taxes due to poverty or other good cause, you may be eligible for a tax exemption, tax credit, abatement or deferral. For details and application information, contact (insert title of local assessing officials or office to which application should be made)."

RSA 72:6 Real Estate

All Real estate, whether improved or unimproved, shall be taxed except as otherwise provided.

RSA 72-B Excavation Taxes

Earth and the real property constituting the area from which earth is being excavated shall be taxed exclusively under RSA 72-B. Land area that is used for the commercial excavation of earth must have all local and state permits in place. Earth is defined in RSA 155-E:1 I, as being sand, gravel, rock, soil or construction aggregate produced by quarrying, crushing or any other mining activity. In determining whether the excavated earth is subject to RSA 72-B, the municipal assessing officials must have knowledge as to whether the excavation activity is a commercial pit, or if the excavation is "incidental" to a construction project. The Notice of Intent to Excavate (Form PA-38) is the official notice to the assessing officials that earth will be excavated (RSA 72-B:8). The Notice of Intent to Excavate creates a contingent lien on the property for the excavation tax due from the operation.

RSA 79 Yield Taxes

- A. The tax collector begins to be involved when the landowner files a notice of intent. Under RSA 79: 10, the assessing officials shall, within 30 days of signing a notice of intent, notify the tax collector that intent has been filed.
- B. Within 30 days after the receipt of a wood or timber cut report is filed with the assessors. A normal Yield Tax at the rate of 10% on the stumpage value at the time of cutting shall be assessed by the assessing officials and a warrant issued to the tax collector (RSA 79:3).
- C. The tax collector then bills the landowner. Due date must be specified on the bill. The information is then recorded in the computer and the warrant book.
- D. Interest as provided in RSA 79:4-a shall be charged 30 days after the bills are mailed by the Tax Collector on any tax which is due, at the rate of 18 percent per year computed from the due date.

E. Any unpaid tax is subject to the tax lien process under RSA 80. On the date the cutting commences, it creates a lien upon the lands on account of which they are made and against the owner of record of such land. The lien shall continue for a period of 18 months following the date upon which the local assessing officials receive the report of cut. This is the time to determine your window of putting on a tax lien. Take the date of the report and count forward 18 months. Remember you cannot lien the tax unless it is delinquent. It is a good reference to make a note in the tax lien book of the amount of the yield tax liened, if it is liened with other taxes.

F. Doomage, RSA 79:12 If a property owner neglects or fails to file a report of cut pursuant to RSA 79: II, or willfully makes any false statement in a notice of intent to cut, (etc.) ... the assessing officials shall assess to such owner by way of doomage two times as much as such wood and timber would have been taxed.

RSA 79-A:7 Land Use Change Tax (LUCT)

All land use change tax assessments levied under this section shall, on the date of the change in use, create a lien upon the lands on account of which they are made and against the owner of record of such land or against the responsible party pursuant to RSA 79-A:7, VI(e). Furthermore, such liens shall continue for a period of 24 months following the date upon which the local assessing officials receive written notice of the change of use from the landowner or his agent, or the date the local assessing officials actually discover that the land use change tax is due and payable, and such assessment shall be subject to statutory collection proceedings against real estate as prescribed by RSA 80.

RSA 76:17-d Abatements

Allows the assessing officials to apply abatements to outstanding taxes, including prior years' taxes, and send a notice to the taxpayer of the amount of credit and where applied.

NOTICE OF ABATEMENT REFUND & CREDIT APPLIED*

(RSA 76:17-d)

DATE: _____ TOWN/CITY OF: _____

By vote of Board of Selectmen/Assessors, upon the application of:

Name: _____ Address: _____

We have abated the amount of \$ _____ On _____ located at _____ or other tax by type _____ for the year _____

Reason for Abatement: _____

The abatement refund will be applied to your outstanding taxes pursuant to RSA 76:17-d as follows:

Amount of Payment Applied: \$ _____ Type & Year of Tax Credited: _____

For Property Located at: _____ Remaining Amount for Refund (if any):\$ _____

Please contact the tax collector's office to determine any remaining outstanding balances of taxes due.

_____, Chair

* RSA 76:16, III (h) says in part. "Any interest paid to the applicant must be reported by the municipality to the United States Internal Revenue Service, in accordance with federal law. Prior to payment of abatement with interest, the taxpayer shall provide the municipality with the applicant's social security number or federal tax identification number. Municipalities shall treat social security or federal tax identification information as confidential and exempt from a public information request under RSA 91-A." Copies to: Taxpayer, Treasurer, Tax Collector, and Accounting Office

RSA 80:52 Discounts

Any town may, by vote at the annual meeting, direct a discount to be made to those persons who shall pay their taxes within such periods as the town may limit; and every person so paying shall be entitled to such discount; provided, that no discount shall be granted on resident taxes. Before adopting a property tax discount, the cost benefit of such an action should be calculated and a Provision for Discounts, as a contra account to Property Taxes Receivable, should be budgeted.

RSA 80:52-a Prepayments

Any town by vote at a town meeting under a proper article in the warrant or by vote of the board of selectmen or the town council and any city by vote of its governing board may authorize the prepayment of taxes and authorize the collector of taxes to accept payments in prepayment of taxes. No interest shall accrue to the taxpayer on any prepayment, nor shall any interest be paid to the taxpayer on any prepayment which is later subject to rebate or refund.

RSA 80:52-c Tax Payment by Credit Card

Allows the governing body to authorize the municipality's treasurer or other appropriate municipal official to accept payment of local taxes, charges generated by the sale of utility services, or other fees or charges by use of a credit card, debit card, or such other means of electronic transaction as approved by the governing body. A service charge may be added. The amount of that charge must be disclosed.

Tax Liens

RSA 76:11-b Notice of Arrearage

The Tax Collector shall provide to the owner as of April 1 or current owner, if known, a summary of all uncollected and unredeemed taxes on the property. This summary may be included on or with the tax bill, or may be sent by separate mailing within 90 days of the due date of the final tax bill. Your notice must contain the following verbiage regarding bankruptcy or you must include a separate insert containing this information:

SAMPLE NOTICE OF TAX DELINQUENCIES and UNREDEEMED TAXES

Name & Address of Municipality
Phone Number of Municipality
Name & Address of Property Owner

Statement Date:
Interest Date:
Property ID

Notice of Tax Delinquencies and Unredeemed Tax Liens

According to my records the following tax accounts/tax liens remain unpaid:

Year/Type Due Date Bill # Tax Due Costs Due Interest Due Per Diem Total Due this Bill

(List all unpaid liens by year and current year bills as delinquent)

If full payment for unpaid (year to be tax deeded) and older tax liens is not made by (insert deed date here) a tax deed will be issued to the purchaser of the lien pursuant to RSA 80:76. In the event that the above items may have been overlooked, this notice is to remind you of any previous outstanding liens and the potential for any additional unpaid bills that may go to tax lien per RSA 76:11-B. The tax due amounts, together with interest, must be paid in full by (last day to pay before impending lien notice is run), to prevent further tax lien action and an additional cost of (impending lien fee cost). Interest is calculated through (last day to pay before impending lien notice is run).

Prior to final payment: Please call the tax collector at (phone number) for correct interest computation and/or costs due.

PLEASE NOTE: If you are currently in bankruptcy and subject to the protections of the Automatic Stay provisions of Section 362(a) of the Bankruptcy Code, then the above language is hereby modified as follows: (a) By sending this notice, the Town is not attempting to collect any delinquent tax debt from property owner(s) in bankruptcy and the notice should not be interpreted as requiring payment. The notice is a requirement of New Hampshire law. (b) The Tax Collector or Town may not increase the rate of interest in cases where the Court has set such rate without seeking appropriate Bankruptcy Court approval. (c) The provisions of federal bankruptcy law may affect the rights of the municipality under state law as long as the assessed property owner is in bankruptcy. A tax collector’s deed cannot and will not be issued without appropriate Bankruptcy Court approval. A tax lien may be imposed, and the Town is required to give separate notice of that action. Please seek legal counsel if you have any questions concerning this bankruptcy section of the Notice of Tax Delinquencies and Unredeemed Tax Liens. The tax collector’s office cannot provide legal advice.

Name of Tax Collector

IMPORTANT NOTICE TO ASSESSED PROPERTY OWNERS CURRENTLY IN BANKRUPTCY

PLEASE NOTE: If you are currently in bankruptcy and subject to the protections of the Automatic Stay provisions of Section 362(a) of the Bankruptcy Code, then the language on this notice is hereby modified as follows:

(a) By sending this notice, the Town is not attempting to collect any delinquent tax debt from property owner(s) in bankruptcy and the notice should not be interpreted as requiring payment. The notice is a requirement of New Hampshire law in order for the Town to perfect its statutory lien.

(b) The Tax Collector or Town may not increase the rate of interest where the Court has set such rate without seeking appropriate Bankruptcy Court approval.

(c) The provisions of the federal bankruptcy law may affect the rights of the municipality under state law as long as the assessed property owner is in bankruptcy. A tax collector's deed cannot and will not be issued without appropriate bankruptcy Court approval.

Please seek legal counsel if you have any questions concerning this bankruptcy section of the Notice of Tax Delinquencies and Unredeemed Tax Liens. The tax collector's office cannot provide legal advice.

Name of Municipal Collector

RSA 80:86

Real estate of every kind levied upon under RSA 85 shall be subject to the real estate tax lien procedure, and the owner of such real estate shall have the right to redeem the real estate.

Taxes Subject to Lien Procedure

- Betterment/Special Assessments
- Current Use Change Taxes
- Conservation Assessments
- Timber (Yield)/Excavation (Gravel) Taxes
- Discretionary Preservation Easements (Barn assessments)
- Property Taxes
- Resident Taxes
- Water and Sewer Rents
- Termination of Covenant; Reduction of Tax Relief Penalty

RSA 80:60 Notice of Lien

Collector shall give notice of impending lien at least 30 days prior to the execution of said lien. Certified or registered mail return receipt requested to last known post office address of the current owner, if known, or the person against whom the tax was assessed. Notice shall:

- State the name of the current owner, if known, or the person against whom the tax was assessed.
- Description of the property as committed to the tax collector.
- Date & time on which the last payment shall be accepted.
- Amount of the tax, interest and costs to the date of execution.
- Bankruptcy information shall be contained on the notice or included as a separate insert.
- Return receipt shall be prima facie evidence that the collector has complied with the notice requirements of this section.

SAMPLE NOTICE OF IMPENDING LIEN

Name & Address of Municipality
 Phone Number of Municipality
 Name & Address of Property Owner

Date of Notice:
 Billed Owner:

Notice of Impending Tax Lien

This letter is not a demand for payment, but a notice of our intent to perfect a lien against your property. In accordance with RSA 80:60, you are hereby notified of the Impending Tax Lien against the following real estate which is taxed to you in the list committed to me as Tax Collector for the year (year of lien) as follows:

Map/Lot	Location	Balance on Bill	Costs	Interest	Amount Due
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(List all unpaid bills for the current year)

If payment in full is not received on or before the (day of lien) of (month of lien) at (time), I shall execute a tax lien on said real estate which will be recorded in the (county registry). This tax lien will entitle the City/Town to a tax deed for a 100% interest in the property described above unless, within two years of the execution of the tax lien, the property is redeemed by payment of the above amount plus interest at 18% * per annum and redemption costs. * 2018 levy and prior years. ** Beginning with 2019 levy interest is calculated at 14%. Prior to final payment: Please call the tax collector at (phone number) for correct interest computation and/or costs due.

PLEASE NOTE: If you are currently in bankruptcy and subject to the protections of the Automatic Stay provisions of Section 362(a) of the Bankruptcy Code, then the above language is hereby modified as follows: (a) By sending this notice, the Town is not attempting to collect any delinquent tax debt from property owner(s) in bankruptcy and the notice should not be interpreted as requiring payment. The notice is a requirement of New Hampshire law. (b) The Tax Collector or Town may not increase the rate of interest in cases where the Court has set such rate without seeking appropriate Bankruptcy Court approval. (c) The provisions of federal bankruptcy law may affect the rights of the municipality under state law as long as the assessed property owner is in bankruptcy. A tax collector’s deed cannot and will not be issued without appropriate Bankruptcy Court approval. A tax lien may be imposed, and the Town is required to give separate notice of that action. Please seek legal counsel if you have any questions concerning this bankruptcy section of the Notice of Impending Lien. The tax collector’s office cannot provide legal advice.

Name of Municipal Tax Collector

RSA 80:63 Right to Tax Lien

Except under the provisions of RSA 80:80, II-a, (transfer of tax lien) only a municipality or county, where the property is located, or the state may acquire a tax lien against land and buildings for unpaid taxes.

REPORT OF COLLECTOR’S EXECUTION OF REAL ESTATE TAX LIEN

TOWN OF MERRIMACK, NH
 Merrimack Tax Collector’s Office
 Date of Execution: April 27, 2011

PAGE 1 OF 1
 Date: April 27, 2011
 Year of Levy: 2010

Owner or person taxed and Description of Real Estate	Taxes	Total Interest	Fees & Costs	Amount of Lien
Smith, Margaret E. 6F/492	275.91	44.44	35.50	\$355.85
Jones, Gregory S 5B/488	335.42	54.03	35.50	\$424.95

REPORT OF COLLECTOR’S EXECUTION OF REAL ESTATE TAX LIEN

City/Town of: Merrimack
 Merrimack Tax Collector’s Office
 Date of Execution: April 27, 2011

Page # 2 of 2
 Date: April 27, 2011
 Year of Levy: 2010

The execution of real estate tax liens on properties on pages 1 to 2 was made to the city/town of Merrimack and was for the 100% common and undivided interest of each parcel listed.

Collector of Taxes _____ City/Town _____

P.O. Address _____ Date _____

State of New Hampshire

County of _____

Signed and sworn to (or affirmed) before me on the ____ day of _____, _____ by _____ (name(s) of person(s) making statement).

 (Signature of notarial officer)

(Seal, if any)

Notary Public, State of New Hampshire

My commission expires _____

To be recorded with the lien at the Registry of Deeds.

Page _____

REPORT OF EXECUTION OF REAL ESTATE TAX LIEN

Town/City

Date:

Date of Execution:

Levy of

I, Tax Collector’s name, certify that I gave notice of the impending lien on the (INSERT DATE) day of (INSERT YEAR), being at least 30 days prior to the execution of the lien. Said notice was sent by certified mail return receipt requested to the last known post office address of the current owner, if known, or the person against whom the tax was assessed.

In accordance with provisions of RSA 80:59 Real Estate Tax Liens were executed to the municipality.

Tax Collector

STATE OF NEW HAMPSHIRE
COUNTY OF

On this (INSERT DATE) day of (INSERT MONTH & YEAR), personally appeared (INSERT NAME), Tax Collector who swore that the foregoing is true to the best of his/her knowledge and belief and acknowledged the foregoing instrument to be his/her free act and deed.

Notary Public/Justice of the Peace
My commission expires: _____

RSA 80:61 Affidavit of Execution of Real Estate Tax Lien

An affidavit of the execution of the tax lien to the municipality, county or state shall be delivered to the municipality by the tax collector on the day following the last date for payment of taxes as stated in the notice given in RSA 80:60. The collector shall execute to the municipality, county or state only a 100% common and undivided interest in the property and no portion thereof shall be executed in severalty by metes and bounds; Provided, however, that where distinct interests in the property have been separately assessed, the tax lien shall be for 100% of the separate distinct interest upon which the taxes have not been paid.

AFFIDAVIT OF EXECUTION OF REAL ESTATE TAX LIEN

Affidavit of execution of real estate tax lien to be filed with the municipality’s copy, i.e.; Board of Selectmen

Page

STATE OF NEW HAMPSHIRE
COUNTY OF

Dated:

AFFIDAVIT OF EXECUTION OF REAL ESTATE TAX LIEN

Personally appeared the above named (INSERT NAME), Tax Collector for the Town/City and being duly sworn states that:

1) The foregoing listing represents a list of current owners or persons to whom taxes were assessed and a description of the property as committed to me for collection.

2) That as a result of non-payment of taxes, and after having provided notices as provided by law, I executed to the Town/City of (INSERT NAME), New Hampshire a statutory tax lien for 100% common and undivided interest of each parcel listed in accordance with RSA 80:59 on date of lien (INSERT DATE) , at the municipal offices.

Tax Collector

STATE OF NEW HAMPSHIRE
COUNTY OF

On this (INSERT DATE) day of (INSERT YEAR) , personally appeared (INSERT NAME), Tax Collector who swore that the foregoing is true to the best of his/her knowledge and belief and acknowledged the foregoing instrument to be his/her free act and deed.

Notary Public/Justice of the Peace
My commission expires: _____

RSA 80:64 Report of Tax Lien

Within 30 days after executing the tax lien deliver or forward to the register of deeds a statement of the following facts:

- Name of person taxed or current owner
- Description of the property as appeared on the tax list committed
- Total amount of each tax lien, including taxes, interest, fees and costs incident to the tax lien process
- Date and place of execution; and
- **Certified under oath by the tax collector**

RSA 80:65 Notice by Lienholder to Mortgagee

The municipality, county or state as lienholder shall identify and notify all persons holding mortgages upon such property recorded in the office of the register of deeds within 45 days from the date of the execution of the lien. The municipality, county or state as lienholder may, if they determine mortgages exist, direct the collector to give such notice. This notice shall contain:

- Date of execution of the lien
- Name of the delinquent taxpayer
- Total amount of the lien and the amount of costs for identifying and notifying mortgagees
- Similar notice for subsequent payment
- It is recommended that the tax collector get a directive each year from the Selectmen directing them to research and/or notify mortgagees

SAMPLE NOTICE TO LIEN HOLDER (MORTGAGEE NOTICE) AFTER LIEN EXECUTION

NOTICE TO LIENHOLDER

Name of Municipality

Date of Notice

The laws of the state of New Hampshire require that this notice be given to each lienholder in person, or left at his place of abode, or sent by registered/certified mail, return receipt requested, to his last known address within 45 days of the execution of real estate tax lien.

Name & Address of Lienholder

You are hereby notified that on <date of lien execution>, I, <name of municipal tax collector>, for <name of your City/Town>, New Hampshire, executed a real estate tax lien on the following real estate on which you hold a lien, according to the records of the register of deeds for (name of your county). The execution of this lien was initiated because of nonpayment of (Tax Year) Municipal Taxes.

Name of Property Owner	Description: Book/Page	Tax Amount/Costs	Total Owed
	Map/Lot or Property ID		

Name of Municipality, Lienholder

Name of Municipal Tax Collector

Tax Collector

Please direct any inquiries to the Tax Collector whose office is at:

Mailing address and telephone number of municipal office

RSA 80:66 How Notice Shall be Given

Notice shall be in writing. A copy is to be given to each mortgagee as recorded at the registry of deeds, in hand, left at the usual place of abode, or sent by certified mail, return receipt requested, or registered mail to the last known post-office address.

RSA 80:69 Redemption

Any person with a legal interest, may redeem by paying or tendering to the collector:

- Before a deed is given;
- For 2018 and prior years, the amount of real estate lien, with interest at 18% per annum upon the whole amount of the recorded lien from the date of execution to the time of payment in full. Beginning with 2019 levy amount of lien with interest at 14%.
- Except in the case of partial payments in redemption, interest is computed on the unpaid balance, together with redemption costs and costs for identifying and notifying mortgagees.

RSA 80:70 Notice of Redemption

When full redemption is made the Tax Collector shall within 30 days notify the register of deeds, with the following information:

- Name of the person redeeming.
- Date when redemption was made.
- Date of the execution of the tax lien.
- Brief description of the real estate in question
- Name of the person or persons against whom the tax was liened.

**REPORT OF TAX LIEN REDEMPTIONS
LEVY OF 2010**

TOWN OF SALEM, NH 33 GEREMONTY DRIVE, 03079-3390 DATE: 8/1/2011

OWNER OR PERSON TAXED	BOOK/ DESCRIPTION OF PROPERTY	PAGE	LIEN DATE	TOTAL PRICE	REDEEMED BY/DATE
-----------------------	----------------------------------	------	--------------	----------------	---------------------

SMITH NANCY	0630	03/14/2010	\$ 2,179.02	SMITH NANCY
68 GROVE AVENUE	0840			7/27/2011
MAP: 79 LOT: 2497				

PAGE: of

TAX COLLECTOR

DATE:

RSA 80:71 Partial Payments in Redemption

Any person with a legal interest in real estate upon which a real estate tax lien has been executed may make partial payments in redemption. The Tax Collector receives the partial payment and gives a receipt therefore; and pays over such sums to the town treasurer. If a complete redemption is not made before a deed is given to the lienholder, the Tax Collector shall within 10 days direct the selectmen to issue an order upon the town treasurer to refund to the person making such partial payments or his heirs or assigns the sum so paid. Selectmen shall promptly issue such order. If not issued within 30 days of the time the collector directs that the order be issued, the sum to be refunded shall draw interest at 6% per annum from the date the sum was directed to be paid to the date of actual payment.

SAMPLE DEED

KNOW ALL MEN BY THESE PRESENTS

That I, _____, Tax Collector of the Town/City of _____ in the County of _____, and State of New Hampshire, for the year _____, by the authority in me vested by the laws of the State, and in consideration of \$1.00 and other valuable consideration to me paid by the Town of _____, located at _____ do hereby sell and convey to the said Town of _____ successors/heirs and assigns a certain tract or parcel of land situated in the Town of _____, NH, aforesaid, to have and to hold with appurtenances forever, taxed by the Assessing Officials in _____ to _____, located at _____ and described in the Invoice Books as:

Description of Property

Deeded for 100% common and undivided interest. Meaning and intending to describe and convey the same premises conveyed to _____ by deed dated _____, and recorded in the _____ County Registry of Deeds in Book _____, Page _____.

This deed is the result of the tax lien execution held at the _____ located at _____ in the Town of _____, New Hampshire on the ____ day of _____, _____, and I hereby covenant with the said Town of _____ that in making this conveyance, I have in all things complied with the law, and that I have good right, so far as that right may depend upon the regularity of my own proceedings, to sell and convey the same in the manner aforesaid.

In Witness Whereof, I have hereunto set my hand and seal, the ____ day of _____, in the year of our Lord _____.

<Name of Tax Collector>, Tax Collector

State of New Hampshire

County of _____

Signed and sworn to (or affirmed) before me on the ____ day of _____, _____ by _____ (name(s) of person(s) making statement).

(Signature of notarial officer)

(Seal, if any)

Notary Public, State of New Hampshire

My commission expires _____

RSA 80:76 Tax Deed

The collector, after 2 years from the execution of the real estate tax lien, shall execute to the lienholder a deed of the land subject to the real estate tax lien and not redeemed. Notwithstanding the provisions of paragraph I, the collector shall not execute a deed of the real estate to a municipality when the governing body of the municipality has notified the collector that it shall not accept the deed because acceptance would subject the municipality to potential liability as an owner of property under the Comprehensive Environmental Response, Compensation and Liability Act of 1980, 42 U.S.C. section 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. section 6901 et seq.; RSA 147-A and 147-B, and any other federal or state environmental statute which imposes strict liability on owners for environmental impairment of the real estate involved.

In addition to the circumstances described in paragraph II, the governing body of the municipality may refuse to accept a tax deed on behalf of the municipality, and may so notify the collector, whenever in its judgment acceptance and ownership of the real estate would subject the municipality to undesirable obligations or liability risks, including obligations under real estate covenants or obligations to tenants, or for any other reason would be contrary to the public interest. Such a decision shall not be made solely for the benefit of a taxpayer.

When a governing body has, under paragraph II or II-a, served notice upon the collector it shall not accept the deed, the tax lien shall remain in effect indefinitely, retaining its priority over other liens. The taxpayer's right of redemption as provided by RSA 80:69 shall likewise be extended indefinitely, with interest continuing to accrue as provided in that section.

The tax lien may be enforced by the municipality by suit as provided under RSA 80:50, and through any remedy provided by law for the enforcement of other types of liens and attachments. If, at any time, in the judgment of the municipal governing body, the reasons for refusing the tax deed no longer apply, and the tax lien has not been satisfied, the governing body may instruct the collector to issue the tax deed, and the collector shall do so after giving the notices required by RSA 80:77 and 80:77-a.

RSA 80:77 Notice to Current Owner & RSA 80:77-a Notice to Mortgagee

At least 30 days prior to executing the deed:

- Tax Collector shall notify the current owner of the property or his representative or executor.
- By certified mail, return receipt requested.
- Tax Collector shall notify each person holding a mortgage upon such property.

Any mortgagee whose mortgage was recorded in the office the register of deeds at least 30 days prior to the mailing of the notice. Notice shall, at the minimum, contain:

- Name of the delinquent taxpayer.
- Description of the property subject to the tax lien.
- Amount of the tax lien and the amount of tax collector's fee and expenses necessary for redemption.
- Issue date of the tax lien deed.
- Expiration date of the right of redemption.
- Warning that the legal interest of the taxpayer and each mortgagee will be extinguished by the tax lien deed.

SAMPLE NOTICE TO LIENHOLDER IMPENDING TAX DEED

NOTICE TO LIENHOLDER OF IMPENDING TAX DEED

FOR: Tax Year to be deeded

Name of Municipality

Date of Notice

The laws of the state of New Hampshire require that this notice be given to each lienholder in person, or left at his place of abode, or sent by registered/certified mail, return receipt requested, to his last known address 30 days before the date of execution of Impending Tax Collectors Deed.

Name & Address of Lienholder

You are hereby notified that according to the records of the register of deeds and probate for the (name of your county) you hold a lien on the parcels of property listed below, and according to the enclosed redemption information, I , <name of municipal tax collector>, for the (name of your City/Town), New Hampshire, will execute a Tax Collectors Deed if full redemption is not received before the deeding date and YOUR RIGHT OF REDEMPTION WILL EXPIRE AND YOUR MORTGAGE WILL BE EXTINGUISHED. DEEDING DATE IS (date of deed).

Name of Property Owner	Description: Book/Page Map/Lot (Property ID)	Tax Amount/Costs	Total Owed
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Name of Municipality, Lienholder
 Name of Municipal Tax Collector
 Tax Collector

Please direct any inquiries to the Tax Collector whose office is at:
Mailing address and telephone number of municipal office

SAMPLE IMPENDING DEED NOTICE

Name & Address of Municipality

Phone Number

Notice Date:

Name & Address of Property Owner

Billed Owner:

*****NOTICE OF IMPENDING TAX DEED *****

Pursuant to RSA 80:77, you are hereby notified that the (year of the deed) tax liens in your name will be deeded to the lienholder the (name of municipality) on (deed date) unless full redemption is made before this date.

Map/Lot/Unit Location Tax Amount Costs Interest Amount Due

Unredeemed tax lien total for the year of the deed; calculate interest through the deed date.

**Payment in full must be received before (time) on (deed date). If full redemption is not made by this date, you will be divested of ownership of this property.

***If you have any questions regarding the payment of your tax bill or are paying earlier than the final date, please contact my office for the exact amount due.

*****Municipal Office Hours: Time and Date

Office Telephone Number

Name of Municipal Tax Collector

RSA 80:78 Incontestability

No action, suit or other proceeding shall be brought to contest the validity of an execution of the real estate tax lien or any other collector's deed based thereon after 10 years from the date of record of the collector's deed.

RSA 80:89 Notice to Former Owner and Opportunity for Repurchase

At least 90 days prior to the offering for sale by a municipality of property which is acquired by tax deed on or after the effective date of this section, the municipal governing body or its designee shall send notice by certified mail, address service requested, return receipt requested, to the last known post office address of the owner of the property at the time of the tax deed, if known, or to the person to whom the notice of impending tax deed was given under RSA 80:77. Within 30 days after the notice required by paragraph I, or if no such notice is received, at any time within 3 years after the date of recording the tax deed, any former owner of the property may give notice by certified mail, return receipt requested, of intent to repurchase the property from the municipality, and stating that such owner is ready, willing, and able to pay all back taxes,

interest, costs and penalty, as defined in RSA 80:90, except that if the property is the former owner's principal residence, or was the former owner's principal residence, or was the former owner's principal residence at the time of execution of the tax deed under RSA 80:76, the additional penalty under RSA 80:90 I(f) shall not apply. If all such monies are not actually tendered within 30 days of such notice of intent to repurchase, the municipality may proceed with its offering and dispose of the property without any interest by the former owner. The former owners' title upon repurchase shall be subject to any liens of record against the property as of the time of the tax deed to the municipality, and subject to any leases, easements or other encumbrances as may have been granted or placed on the property by the municipality. A notice of intent to repurchase under this section may also be filed by the holder of any recorded mortgage interest in the property which was unredeemed as of the date of the tax deed. Conveyances to a former owner under this section shall not be subject to the real estate transfer tax. The duty of the municipality to notify former owners and to distribute proceeds pursuant to RSA 80:88, and the former owners' right of repurchase under this section shall terminate 3 years after the date of recording of the deed.

RSA 80:88 Distribution of Proceeds from the Sale of Tax Deeded Property

Municipality's recovery of proceeds acquired by tax deed shall be limited to back taxes, interest, costs and penalty. If there are excess proceeds, within 60 days of settlement the municipality shall file a bill of interpleader with the superior court for the county in which the property is located, including:

- Names the owner or owners;
- All persons having a recorded interest in the property; and,
- Paying to the court all amounts over and above those entitled to be retained.

Superior Court shall issue such orders of notice as are necessary and shall make such disposition of funds as it finds appropriate. No interpleader is filed if:

- At the time of the tax deed execution there are no record lienholders and only one record owner or joint owners.
- Such former owner/owners are easily identified and located.
- Excess proceeds shall be paid to such owner/owners.

RSA 80:90 Definitions

For the purposes of RSA 80:88 and 80:89, the phrase "back taxes, interest, costs and penalty" shall include all of the following:

- All taxes assessed but unpaid as of the date of the tax deed, together with all taxes which would thereafter otherwise have been assessed against such property based on its valuation, but for its ownership by the municipality.
- All statutory interest actually accrued on all back taxes as of the date of the tax deed, together with all statutory interest which would otherwise thereafter have accrued on all taxes listed in subparagraph (a), but for the property's ownership by the municipality.
- All allowable statutory fees charged for notice and recording in connection with the tax collection process.
- All legal costs incurred by the municipality in connection with the property, including those connected with the municipality's sale or the former owner's repurchase.
- All incidental and consequential costs as are reasonably incurred or estimated to be incurred by the municipality in connection with its ownership and disposition of the property, including but not limited to insurance, maintenance, repairs or improvements, and marketing expenses.
- An additional penalty equal in amount to 10 percent of the assessed value of the property as of the date of the recording of the tax deed, adjusted by the equalization ratio for the year of the assessment.
- Former owner shall mean any person in whom title to the property, or partial interest therein, was vested at the time of the tax deed, and shall include any heir, successor, or assign of any former owner, provided, however, that any person to whom a former owner has attempted to convey or assign any interest, lien or expectancy in the property subsequent to the date of the tax deed shall not be deemed a former owner.

RSA 80:91 Liability and Obligations Limited

If the municipality has complied with RSA 80:88 and 80:89, it shall not have any liability whatsoever to any former owner or lienholder.

- In connection with its management of the property.
- Or for the amount of consideration received upon disposition of the property.
- After execution of the tax deed, the municipality may treat the property in all respects as the fee owner thereof without any accountability to the former owners including leasing or encumbering all or any portion of the property, except that the proceeds of any sale must be accounted for as provided in RSA 80:88.

Nothing in this chapter shall obligate the municipality to dispose of property acquired by tax deed, except as provided in RSA 80:89.

Nothing in RSA 80:88 or 80:89 shall be construed to preclude a municipality from granting more favorable terms to a former owner pursuant to RSA 80:80, VI.

Basic Steps of the Property Tax Lien Process

RSA 76:11-b	Notice of Arrearage
RSA 80:60	Notice of Lien (Impending)
RSA 80:61	Affidavit of Execution of Real Estate Tax Lien
RSA 80:64	Report of Tax Lien
RSA 80:65	Notice by Lienholder to Mortgagee
RSA 80:66	How Notice Shall Be Given
RSA 80:69	Redemption
RSA 80:70	Notice of Redemption
RSA 80:71	Partial Payments in Redemption
RSA 80:77	Notice of Tax Deed
RSA 80:77-a	Notice to Mortgagee (Impending Deed)
RSA 80:76	Tax Deed (After 2 Years)
RSA 80:89	Notice to Former Owner and Opportunity for Repurchase
RSA 80:88	Distribution of Proceeds from the Sale of Tax Deeded Property

Interest Calculations

- Interest for property taxes, betterment assessments, and water and sewer rents is calculated at 12% per annum for 2018 and prior year levies. Beginning with 2019 levies interest is calculated at 8%.
- Interest for tax liens for levy year 2018 and prior, timber yield taxes, excavation taxes, and current use is calculated at 18% per annum. Beginning with 2019 levy interest is calculated at 14%.
- Interest for elderly and disabled deferrals is calculated at 5% per annum.

Following are examples for calculating interest for delinquent property taxes, a tax lien, and an elderly deferral.

Property taxes - A taxpayer comes into the office on December 17th to pay his current year taxes. The first bill in the amount of \$567.23 was due on July 1st. The second bill for \$586.55 was due on December 3rd. Calculate the number of days from the due date through the date of payment for each bill. Do not count July 1st or December 3rd but include the date of payment (interest for betterment assessments) water/sewer rents is calculated the same way).

- 1st bill = 169 # of days; 2nd bill = 14 # of days
- Multiply the 1st bill tax amount \$567.23 by the interest rate 0.08. Then divide by 365 days and multiply by the number of outstanding days. This equals the interest due for the 1st bill, \$21.01.
 - Calculated annual interest rate for 1st bill 68.0676. (\$567.23 multiplied by interest rate 0.08 divided by 365 days)
 - The daily interest rate calculation 0.186487 (annual interest rate \$68.07 divided by 365)
- Multiply the 2nd bill tax amount \$586.55 by the interest rate 0.08. Then divide by 365 days and multiply by the number of outstanding days 14. This equals the interest due for the 2nd bill, \$1.80.

- Total interest due on the 1st bill \$ 21.01 Total interest due on the 2nd bill \$ 1.80
- Total due December 17th = \$567.23 + \$21.01 + \$586.55 + \$1.80 = \$1,176.59

Tax Lien -The 2016 tax lien was executed on March 18, 2017. The property owner wants to pay the lien in full on September 14, 2017. The process is basically the same as for property taxes except that interest is 18% per annum and there are additional costs after lien. Beginning with 2019 levy interest is calculated at 14%.

Total 2016 tax lien due September 14th = \$1,538.72 + \$136.59 + \$19.00 = \$1,694.31

If payment was made on September 14, 2018 you would have to add 1 year's interest to the interest total. In this case interest would be \$276.97 + \$136.59 = \$413.56. The total amount due for the tax lien would be \$1,971.28. Calculate current use, excavation, and timber tax the same way. Don't forget to add Registry costs for the current use release fees if you collect them.

Interest

- 1st half property tax 8% after July 1st or 30 days after mailing.
- 2nd half property tax 8% after December 1st or 30 days after mailing.
- Current Use Change Tax 18% 30 days after mailing.
- Excavation Tax 18% 30 days after mailing.
- Yield Tax 18% 30 days after mailing.
- Tax Liens 14% beginning with 2019 lien from date of lien.

NH DRA Municipal Bureau – Municipal Matters: Technical Assistance For Tax Collectors

NEW HAMPSHIRE TAX COLLECTORS' ASSOCIATION
 TAX LIEN PROCEDURE
 SCHEDULE OF FEES AND COSTS

IN FOLLOWING THE TAX LIEN PROCEDURE FOR NON-PAYMENT OF REAL ESTATE TAXES, THERE ARE CERTAIN CHARGES FIXED BY STATE LAW AND OTHER COSTS THAT ARE GOVERNED BY LOCAL CONDITIONS. IN THE LATTER RESPECT, THE VARIATION IS SO SMALL BETWEEN TOWNS THAT THE FOLLOWING SCHEDULE MAY BE ADOPTED AS A STANDARD.

	1 ST PARCEL OF REAL <u>ESTATE</u>	2 ND OR SUBSEQUENT <u>PARCEL</u>
<u>NOTICE OF IMPENDING TAX LIEN:</u>		
COLLECTOR'S FEE FOR NOTICE OF THE IMPENDING TAX LIEN AGAINST DELINQUENT TAXPAYER COVERING ALL UNPAID TAXES LISTED UNDER HIS NAME (RSA 80:81,I-a)	\$10.00	\$0.00
COLLECTOR'S FEE FOR EACH PARCEL LISTED ON THE IMPENDING TAX LIEN (RSA 80:81,I-b)	2.00	<u>2.00</u>
SENDING ABOVE NOTICE BY CERTIFIED MAIL RETURN RECEIPT REQUESTED (RSA 80:60, RSA 80:81,II)	6.85	
INCIDENTAL EXPENSE: PRINTED FORMS, SERVICE ETC. PRO RATA COST PER DELINQUENT TAXPAYER (RSA 80:81,II)	<u>.40</u>	
TOTAL COSTS AND FEES FOR NOTICE OF IMPENDING TAX LIEN	<u>\$19.25</u>	<u>\$2.00</u>

PLEASE NOTE: THE ABOVE FEE SHOULD APPEAR ON THE NOTICE OF IMPENDING TAX LIEN.

EXECUTING REAL ESTATE TAX LIEN:

COLLECTOR'S FEE FOR EXECUTING THE REAL ESTATE TAX LIEN AGAINST EACH DELINQUENT TAXPAYER (RSA 80:81,I-c)	\$10.00	
COLLECTOR'S FEE FOR EXECUTING THE TAX LIEN AGAINST EACH PARCEL (RSA 80:82,I-d)	2.00	\$2.00
COLLECTOR'S FEE FOR NOTICE TO THE REGISTER OF DEEDS OF REDEMPTION OR DISCHARGE OF THE LIEN AFTER EXECUTION (RSA 80:81,I-e)	2.00	2.00
REGISTER OF DEEDS FEE FOR RECORDING AND INDEXING A REPORT OF OF EXECUTION OF TAX LIEN, EACH PARCEL (RSA 80:82,I-b)	2.00	2.00
REGISTER OF DEEDS FEE FOR RECORDING AND INDEXING A REPORT REDEMPTION OR DISCHARGE OF LIEN EACH PARCEL (RSA 80:82,IIa)	2.00	2.00
INCIDENTAL EXPENSE: PRO RATA AS BEFORE (RSA 80:81,II)	<u>.50</u>	
TOTAL COSTS AND FEES FOR EXECUTING REAL ESTATE TAX LIEN	<u>\$18.50</u>	<u>\$8.00</u>
TOTAL COSTS AND FEES FOR NOTICE AND EXECUTION OF REAL ESTATE TAX LIEN	<u>\$37.75</u>	<u>\$10.00</u>

PLEASE NOTE: THE ABOVE FEE IS THE AMOUNT CHARGED TO THOSE ACCOUNTS THAT GO TO TAX LIEN.

IDENTIFYING MORTGAGEES:

IN ORDER TO MEET THE REQUIREMENTS OF NOTIFICATION TO ALL MORTGAGEES, THE LIENHOLDER MUST FIRST SEARCH THE REGISTRY OF DEEDS RECORDS TO DETERMINE IF MORTGAGES EXIST ON ALL PROPERTY LISTED ON THE EXECUTION OF TAX LIEN DOCUMENT. SAID EXPENSES FOR THE SEARCH SHALL BE TOTALLED AND DIVIDED PRO RATA AMONG THE DELINQUENT ACCOUNTS (RSA 80:67) (ESTIMATED EXPENSE)		\$10.00
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NOTICE TO MORTGAGEE:

THE MUNICIPALITY, COUNTY, OR STATE AS LIENHOLDER, WITHIN 45 DAYS FROM THE DATE OF EXECUTION OF THE LIEN SHALL IDENTIFY AND NOTIFY ALL PERSONS HOLDING MORTGAGES (RSA 80:65). THE NOTICE SHALL BE IN WRITING, AND A COPY SHALL BE GIVEN TO EACH MORTGAGEE AS RECORDED AT THE REGISTRY OF DEEDS IN HAND, OR LEFT AT HIS USUAL PLACE OF ABODE, OR SENT BY REGISTERED MAIL TO HIS LAST KNOWN POST OFFICE ADDRESS (RSA 80:66). EXPENSES SO INCURRED BECOME A PART OF THE TAX LIEN CHARGES AND MUST BE PAID TO THE COLLECTOR WHEN REDEMPTION IS MADE (RSA 80:67). FEE FOR NOTIFYING MORTGAGEE FOR EACH NOTICE OR EACH NAME ON A LISTING SENT OR GIVEN (RSA 80:67).		\$10.00
NOTICE TO BE SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED OR MILEAGE EACH WAY AT \$.25 PER MILE TO SERVICE NOTICE (RSA 80:67). USE OF CERTIFIED MAIL IS RECOMMENDED RATHER THAN MILEAGE COST OF PRINTED NOTICE, ETC.		6.85*
TOTAL COST OF NOTICE		<u>.40*</u>
TOTAL COSTS FOR IDENTIFYING AND NOTIFYING MORTGAGEE		<u>17.25</u>
TOTAL COSTS FOR IDENTIFYING AND NOTIFYING MORTGAGEE		<u>\$27.25</u>

NH DRA Municipal Bureau – Municipal Matters: Technical Assistance For Tax Collectors

SCHEDULE OF FEES AND COSTS CONTINUED

SUBSEQUENT TAX PAYMENT:

FOR TOWNS/CITIES WHO UTILIZE THE SUBSEQUENT TAX PAYMENT, PLEASE REFER TO RSA 80:75,I, AND II.

NOTICE TO CURRENT OWNER OF IMPENDING TAX DEED:

AT LEAST 30 DAYS PRIOR TO EXECUTING THE DEED UNDER RSA 80:76, THE TAX COLLECTOR SHALL NOTIFY THE CURRENT OWNER OF THE PROPERTY OR HIS REPRESENTATIVE OR EXECUTOR BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED OF THE IMPENDING DEEDING (RSA 80:77)

COLLECTOR'S FEE	\$10.00
NOTICE TO BE SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED	6.85*
COST OF PRINTED NOTICE	.40

TOTAL COST OF PRINTED NOTICE TO OWNER **\$17.25**

IDENTIFYING MORTGAGEES:

IN ORDER TO MEET THE REQUIREMENT OF NOTIFICATION TO ALL MORTGAGEES, THE LIENHOLDER MUST FIRST SEARCH THE REGISTRY OF DEEDS RECORDS TO DETERMINE IF MORTGAGES EXIST ON ALL PROPERTY LISTED ON THE EXECUTION OF THE TAX LIEN DOCUMENT. SAID EXPENSES FOR THE SEARCH SHALL BE TOTALLED AND DIVIDED PRO RATA AMONG THE DELINQUENT ACCOUNTS (RSA 80:67 & RSA 80:77-a) (ESTIMATED AMOUNT)

\$10.00

NOTICE TO MORTGAGEES OF IMPENDING TAX DEED:

AT LEAST 30 DAYS PRIOR TO EXECUTING THE DEED UNDER RSA 86:76, THE TAX COLLECTOR SHALL NOTIFY EACH PERSON HOLDING A MORTGAGE UPON SUCH PROPERTY, BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED, OF THE IMPENDING DEEDING. (RSA 80:77-a)

COLLECTOR'S FEE	\$10.00
NOTICE TO BE SENT BY CERTIFIED MAIL, RETURN RECEIPT REQUESTED	6.85*
COST OF PRINTED NOTICE	.40*

COST OF NOTICE TO MORTGAGEE **\$17.25**

TOTAL COST OF IDENTIFYING AND NOTIFYING MORTGAGEE **\$27.25**

REDEMPTION:

IN ACCORDANCE WITH RSA 80:69, ALL PAYMENTS MUST BE PAID TO THE COLLECTOR. INTEREST AT 18% PER ANNUM UPON THE WHOLE AMOUNT OF THE RECORDED LIEN FROM THE DATE OF THE EXECUTION TO THE TIME OF PAYMENT IN FULL, EXCEPT THAT IN THE CASE OF PARTIAL PAYMENTS IN REDEMPTION MADE UNDER RSA 80:71, THE INTEREST SHALL BE COMPUTED ON THE UNPAID BALANCE. THE COSTS OF IDENTIFYING MORTGAGEES, NOTICE TO MORTGAGEE, SUBSEQUENT TAX PAYMENT AND NOTICE TO CURRENT OWNER OF IMPENDING TAX DEED ARE **NOT** SUBJECT TO INTEREST AS RSA 80:69 PROVIDES FOR THE 18% INTEREST TO BE COMPUTED ON THE RECORDED LIEN.

TAX COLLECTOR'S DEED:

COLLECTOR'S FEE FOR EACH DEED MADE, RECORDED AND DELIVERED TO THE LIENHOLDER (RSA 80:81,I-f) **\$10.00**
(plus the recording fees)

REGISTERED MAIL:

IN CONNECTION WITH THE VARIOUS REQUIREMENTS FOR NOTICE BY MAIL, THE FEE FOR REGISTERED MAIL WITH RETURN RECEIPT IS: **\$14.95**

CHANGES ARE INDICATED BY AN ASTERIX
*REVISED FOR POSTAGE CHANGE AS OF 01/28/2019

PLEASE NOTE: IF YOU USE E-CERTIFIED (NOT RECOMMENDED) YOU MAY NOT CHARGE THE CERTIFIED MAIL FEE SHOWN ABOVE. THAT FEE IS TO BE ACTUAL COST.

IF YOU HAVE A POSTAGE MACHINE, THERE IS A POSTAGE DIFFERENCE AND YOU SHOULD BE CHARGING WHAT IT COST YOU FOR A CERTIFIED MAIL FEE. IF THE DIFFERENECE IS PENNIES, YOU CAN ADJUST THE INCIDENTAL EXPENSE TO MAKE YOUR TOTAL COST AND FEES TO REMAIN THE SAME.

Lien FAQs

1. Can a lien be released as soon as a check is received?

The tax collector should wait for the check to clear prior to releasing a lien, unless the check was a certified check.

2. Last year a 100-acre parcel was assessed as one piece. The taxes were not paid and a tax lien was executed on the parcel. This year, the owner has subdivided the parcel and plans to sell lots. Can the collector release the liens on individual lots?

The tax collector cannot release the lien on just one lot. The lien is on the entire 100 acres so the collector cannot release the full lien and place another lien on a smaller parcel.

3. How Are Partial Payments Handled?

See RSA 80:71. Partial payments should be handled in the same manner as full payments. Best business practices suggest that payments should be applied against interest due before lien amount due. The receipt given must be dated, should show amount paid, how it was credited, and amount still owed. Extreme care must be exercised to post the correct amounts and keep records of payment dates and amounts in order to ensure that the correct amount of interest is received if full redemption is made. If full redemption is not made before the final date prior to deeding, the tax collector must, within 10 days, direct the selectmen to issue an order upon the town treasurer to refund to the person making such partial payments, or his heirs or assigns, the sum so paid. If the order is not issued within 30 days of the date of the collector's directive, interest at 6% per year shall be paid from the date of the directive.

4. What are subsequent tax payments?

See RSA 80:75. A subsequent tax is the property tax due for any year after the year of the tax lien. Tax Liens may be transferred in accordance with RSA 80:80, II, (a). The transferee may pay the subsequent taxes. Interest accrues at 18%.

5. What is the significance of the "Barrington Notice" or the Notice of Arrearage in reference to the tax lien procedure?

See RSA 76: II-b. The notice of arrearage is not part of the tax lien process. This is a separate requirement relating to tax billing. However, neglecting to send this notice could create a problem if the property is deeded in the future.

6. What happens if the Lien is not executed within 18 months?

Per RSA 80:50, delinquent taxes may be collected by a suit at law or bill in equity against the taxpayer brought by either the selectmen or the tax collector in the name of the tax collector. This is a more cumbersome and expensive procedure.

7. What information is required on the report of tax lien that is sent to the Registry?

Per RSA 80:64, the report of tax lien to the Register of Deeds will include the following information relating to each parcel of real estate subject to lien:

- a. Name of the current owner if known or the person against whom the tax was assessed
- b. Description of the property as it appeared on the tax list committed to the tax collector
- c. Total amount of each tax lien

d. Date and place of the execution of the tax lien

It is critical that the entire, correct name(s) appear on the report so the lien can be indexed properly. Therefore, abbreviations or truncated names are not acceptable to the county registers. Eliminating names and using "et al" is not correct procedure. Check computer generated reports to be sure the entire, correct name(s) are reported and that part of the name has not been cut off when the name column is not wide enough. Also, be sure reports are legible and are printed dark enough so that reproduction of the document will be clear.

8. What happens if a notice of redemption is not sent to the Register of Deeds?

The lien would show up under any future title search even many years after the payment was made. If this occurs, it is possible, or even likely, that a different tax collector is in office. The present tax collector must research to see whether the lien was redeemed and if so, when the payment was made. If the lien was paid in full, a notice should be sent to the register to release the lien.

9. When shall the deed be executed to the town?

Per RSA 80:76, **after 2 years** from the execution of the tax lien, the tax collector **shall** execute a deed to the lienholder. The municipality may refuse to accept a deed if the property involved could be subject to a potential liability for environmental impairment or other undesirable liabilities or obligations per RSA 80:76, II-a. A collector should not deed if every step of the lien process has not been done properly.

10. What happens if the tax liens are transferred?

See RSA 80:80, II-a. The transferee becomes the lienholder. See RSA 80:72, Redemption and Payment to Lienholder and RSA 80:76, Tax Deed. Upon complete redemption, the money so paid shall be paid over to the lienholder upon demand. If complete redemption is not made in 2 years, the property is deeded to the lienholder.

Tax Deeds

Refusing Tax Deeds

RSA 80:76, II-a, allows the governing body to refuse a tax deed if acceptance would create "undesirable obligations" or liabilities. The governing body must provide the tax collector with a signed statement of deed waiver.

Disposal of Tax Deeded Property “As Justice May Require”

RSA 80:80, VI, allows the governing body to dispose of tax deeded property “as justice may require.” This power could include a scheduled payment agreement, in writing, for the repurchase of tax deeded property by the former owner or third party for the former owner's benefit. The municipality has the authority to re-impose a tax lien or retain a mortgage interest in the property until paid in full. This agreement must be recorded in the Register of Deeds by the governing body.

Proceeds from the Sale of Tax Deeded Property

The proceeds from the sale of tax-deeded property are shared with the former owner. The town may retain:

- The original property tax;
- Interest;
- Costs, including any additional costs after deeding; and,
- 10% of the assessed value of the property as of the date of the tax deed, adjusted by the median ratio for the year of the assessment. Unless at the time of tax deed it is the owners primary residence then no penalty.

Please refer to RSA 80:88-80:91, and the municipal attorney for further details.

Appendix: Glossary of Common Terms

TERM	RSA / RULE	GENERAL EXPLANATION
Agents to Expend	RSA 35:15, I RSA 198:20-c, I	Voters appoint an official to expend from Capital Reserve Fund (CRF) or Expendable Trust Fund (ETF) without further approval
Appropriate	RSA 32:3, I	Authorization to expend municipal funds for a specific purpose
Appropriation	RSA 32:3, II	Amount of money authorized to be expended for a specific purpose
Auditor	Rev 1904	CPA or locally elected municipal auditor
Budget	RSA 32:3, III	List of proposed appropriations and anticipated revenues as warned in the warrant and budget form to be addressed by voters
Budget Committee	RSA 32:14 - 24	Official committee whose main objective is to prepare budgets and hold budget hearings
Budget Committee Supplemental Schedule		Form used to calculate the 10% maximum allowable increase to the posted MS-737 and MS-27
Budget Forms	RSA 21-J:34, VI Rev 1707	Forms prescribed by DRA to post with warrant (MS-636, MS-6c, MS-737, MS-26, MS-26c, MS-27)
Calendar Days	RSA 80:54	Calendar days with Sunday and holidays included
Capital Reserve Fund (CRF)	RSA 35	Fund established for the purpose of saving money to finance a specific capital improvement at a future date
Contingency Funds	RSA 31:98-a; RSA 52:4-a; RSA 198:4-b	Funds that may be set aside for unanticipated expenditures in towns, village districts or schools annually by an article in the warrant
Default Budget	RSA 40:13, IX(b)	Budget that is adopted in an SB2 municipality if the proposed operating budget article fails
Deliberative Session	RSA 40:13, III and IV	First session of the annual meeting in an SB2 community to discuss, debate and explain proposed warrant articles
Disallowed Appropriation	RSA 21-J:35	Appropriation inconsistent with procedural requirements of law
Election Ballot	RSA 669:14	Ballot to be used for the election of municipal officials
Escape Clause		Clause contained in a lease/purchase agreement that permits the termination of a lease for non-appropriation on an annual basis
Fiduciary Funds	Rev 1703.01(b)	Assets held by municipality for other parties that cannot be used to finance the municipality's own operating programs
Fiscal Funding Clause		Clause contained in a lease/purchase agreement that permits the termination of a lease for non-appropriation on an annual basis
Fiscal Year	Rev 1902.01	January 1 through December 31 budget year <i>(See optional fiscal year)</i>
Fund Balance <i>(See Surplus)</i>	Rev 1706.03; Rev 1110.02(d)	Balance sheet amount remaining after subtracting liabilities from assets
Governing Body	RSA 21:29; RSA 41:8; RSA 44:3; RSA 52:3-a	Selectmen; Village District Commissioners; School Board; City Council
Government Funds	Rev 1703.01(a)	The general fund to account for all financial resources of the municipality except those required to be accounted for in another fund

NH DRA Municipal Bureau – Municipal Matters: Technical Assistance For Tax Collectors

Gross Budget	RSA 32:5	Budget must include ALL appropriations (<i>even those with offsetting revenues</i>)
Legislative Body	RSA 21:47	The voters at town, school district, or village district meeting; City Council
Municipality	RSA 672:10; Rev 1701.10;	City, town or unincorporated place
Negotiated Cost Items	RSA 273-A:1 IV	Benefit of collective bargaining agreement requiring an appropriation
Official Ballot	RSA 40:13	Ballot used in SB2 municipalities for elections and all business
Optional Fiscal Year	Rev 1902.02	July 1 through June 30 budget year
Procedural Defect	RSA 31:5-b, II; RSA 40:16	Minor defect of a meeting that can be fixed at a “procedural defect” meeting
Proprietary Funds	Rev 1703.04(c)	Enterprise funds which may be used to account for operations similar to private business enterprises funded by user charges
Purpose	RSA 32:3, V	Goal or aim to be accomplished; line item on DRA budget forms
Raise and Appropriate		Identify a source of revenue and authorize the expenditure of it
Rev Rules		Rules adopted by Department of Revenue Administration
SAU		School Administration Unit
SB2 (Senate bill 2)	RSA 40:13 - 14	Alternative form of municipal government requires 2 sessions; final vote is by ballot
Special Assessment District	RSA 52-A	A designated district in which charges are imposed upon properties to pay for public facilities and services which specifically benefit the district
Special Warrant Article	RSA 32:3, VI	Article that falls within the definition contained in the RSA ; requires recommendations of governing body and budget committee
Sum Certain	RSA 32:3, I	Appropriations must be for a specific amount, not an unspecified amount
Supplemental Appropriation		Additional appropriation made within the current year
Surety Bond	Rev 1903; RSA 41:6	Insurance policy to cover losses suffered through the acts of a municipal official or employee
Tally Votes	RSA 32:5, V-a	Recorded votes of governing body and budget committee on budget items or any warrant articles included with article
TAN’s	RSA 33:7	Tax Anticipation Notes - Borrowing in anticipation of tax receipts
Tax Impact	RSA 32:5, V-b	Notation stating the estimated tax impact of an appropriation contained in a proposed warrant article. To be determined by governing body
10% Rule	RSA 32:18; RSA 32:18-a	Voted budget can’t be more than 10% above budget committee’s recommended budget as reported on the MS-737 and MS-27
Town means School	RSA 194:1	In connection with government, improvement, support and administration
Uniform Chart of Accounts	Rev 1701.12	Account titles, descriptions and numbering classification system established by the Department of Revenue Administration
Village District	RSA 52; Rev 2001.15	Municipal entity within a town that holds a separate budgetary meeting and has its own tax rate, governing body, and voters (precinct)
“Warned” Purpose	RSA 39:2	Subject matter stated on the posted warrant to be discussed at meeting
Warrant for Meeting	RSA 39:2; RSA 39:5	Document posted with budget prior to meeting; containing date and location of meeting, a list of all issues and appropriations to be addressed; signed by governing body.

Appendix: Town Forms Required

FORM NAME	ACCESS	FORM NUMBER	SIGNED BY	DUE DATE
Warrant	MTRSP	NA	Governing Body	20 days after meeting
Posted Budget	MTRSP	MS-636, MS-6c or MS-737	Governing Body/Budget Committee	20 days after meeting
Deliberative Minutes (SB2 only)		NA	Town Clerk, certified	20 days after meeting
Sample Ballot (SB2 only)		NA	Town Clerk, certified	20 days after meeting
Annual Meeting Minutes		NA	Town Clerk, certified	20 days after meeting
Voting Results (SB2 only)		NA	Town Clerk, certified	20 days after meeting
Voted Appropriations	MTRSP	MS-232	Governing Body	20 days after meeting
Revised Estimated Revenues	MTRSP	MS-434	Preparer of Form	September 1
Financial Report	MTRSP	MS-535	Governing Body	April 1 (Sept 1 FY)
CPA Audit		NA	Audit Firm Preparer	March 1 (Sept 1 FY)
Summary Inventory of Valuation	DRA Website	MS-1	Governing Body	September 1
MS-1 Extension Request	DRA Website	MS-1 EXT	Assessing Official(s)	Prior to September 1
Annual Report RSA 41:14		NA	NA	7 days prior to Annual Meeting
Tax Collector Report Rev 1707.16; Rev 1905.10	DRA Website	MS-61	Tax Collector	March 1 (Sept 1 FY)
Auditor's Report RSA 41:31	DRA Website	MS-60	Elected Auditor(s)	March 1 (Sept 1 FY)
Auditor Option and Schedule RSA 41:31-b	DRA Website	MS-60-A	Municipal Official	10 days after close of fiscal year
Audit Waiver Request RSA 41:31-c, II	DRA Website	MS-60-W	Governing Body	45 days prior to end of FY
Report of Trust Rev 1707.10	DOJ Website	MS-9	Trustees	March 1 (Sept 1 FY)
Report of Common Trusts Rev 1707.11	DOJ Website	MS-10	Trustees	March 1 (Sept 1 FY)
Report of Town/City Officials RSA 41:19, RSA 44:2	DRA Website	MS-123	Town/City Clerk	20 days after election appointment
Treasurer's Report of Borrowing RSA 33:14	DRA Website	MS-50	Treasurer	10 days after issue