ASSESSMENT REVIEW - 2020

INFORMATION PACKETS

Contents

- Assessment Review Standards Summary Chart
- Standards for Monitoring Local Assessment Practices by the DRA
- Assessing Standards Board (ASB) Assessment Review Standards Glossary
- State Laws Pertaining to Assessments and Assessment Review
- Current Use Board (Cub) Rules on Assessment of Open Space Land
- Board of Tax and Land Appeals (BTLA) Decisions
    a. Marlow Decision regarding Application of Current Use
    b. Stoddard Decision regarding Blanket Policy to Not Assess Certain Taxable Property

2020 ASSESSMENT REVIEW STANDARDS

Approved by the Assessing Standards Board (ASB) - May 11, 2018

A	B	C	D	E	F
Level and Uniformity of Assessments RSA 21-J:11-a. I.(a)	**Assessing Practices RSA 21-J:11-a. I.(b)**	**Exemptions and Tax Credits RSA 21-J:11-a. I.(c)**	**Data Accuracy RSA 21-J:11-a. I.(d)**	**Proportionality RSA 21-J:11-a. I.(e)**	**USPAP RSA 21-J:14-b. I.(c)**
***Median Ratio** 90% - 110% inclusive with 90% confidence level	***Access** All records of the municipality's assessor's office shall be available to the public unless exempted from disclosure pursuant to RSA 91-A.	***Periodic review by town RSA 72:33, VI.** ***At least 95% accuracy** ~ Veteran's Tax Credit RSA 72:28 ~ All Veterans' Tax Credit RSA 72:28-b ~ Tax Credit for Service-Connected Total Disability RSA 72:35 ~ Certain Disabled Veterans Exemption RSA 72:36-a ~ Blind Exemption RSA 72:37 ~ Disabled Exemption RSA 72:37-b ~ Deaf Exemption RSA 72:38-b ~ Elderly Exemption RSA 72:39-a, b	***Material Errors** 90% of property record cards shall be free of material errors	***Median Ratio** With 90% confidence level for all three strata within 5% overall median point estimate ~Improved residential ~Improved non-residential ~Unimproved property	***Verify USPAP Compliant Report** based on the most recent edition of USPAP shall be submitted to DRA within 30 days of the submission of the DRA MS-1 Report.
***Verify COD** (Coefficient of Dispersion) of median ratio not greater than 20 (without the use of a confidence interval)	***Annual List RSA 74:1** 90% of the Sample shall reflect April 1 value and reflect construction done by April 1 and not after.	***Annual List RSA 72:23-c and RSA 74:2 Religious/Educational/Charitable** 95% of the sample shall be annually reviewed and have on file the provided forms by Board of Tax and Land Appeals (BTLA A-9 Form)	***Data Elements** Verify the accuracy of data elements and report to the ASB	***Verify PRD** (Price Related Differential) shall be between .98 and 1.03 inclusive with a 90% confidence level	
	***Have revised Inventory Program RSA 75:8**	***Charitable Organizations RSA 72:23, VI.** Shall annually file on a form prescribed and provided by Board of Tax and Land Appeals a statement of its financial condition (BTLA A-12 Form)			
	***Current Use RSA 79-A:5** 85% of the Sample shall have: ~ Form A-10 timely filed ~ Form CU-12 timely filed ~ Valued per Cub 304 ~Land Use Change Tax				
	***Appraisal Contracts to DRA RSA 21-J:11** Shall be submitted prior to start and shall include personnel in contract or agreement				

Standards for Monitoring of Local Assessment Practices by the Department of Revenue Administration Adopted by the Assessing Standards Board
May 11, 2018

I. The following standards have been established by the Assessing Standards Board (ASB) in accordance with the provisions of RSA 21-J:14-b and RSA 21-J:11-a. These standards shall be used by the Department of Revenue Administration (DRA) to measure and analyze the political subdivision for reporting to the municipality and the ASB. These standards assist the Commissioner in determining the degree to which assessments of a municipality achieve substantial compliance with applicable statutes and rules.

II. Pursuant to laws of 2003, Chapter Law 307, Section 5, "The general court recognizes all the work in creating a set of proposed standards for the certification of assessments. There is reason for concern, however, that these standards may have an inequitable impact on municipalities within the state due to differences between municipalities in such characteristics as size, parcel count, number of sales, and geographic location. Therefore, the general court finds that in order for the state to continue to implement fair and equitable assessing practices, it is necessary to further analyze the assessing practices of the state's political subdivisions."

III. These standards address the six assessment areas that the Commissioner may consider, which are specifically identified in RSA 21-J:11-a, in regard to whether the:

A. Level of assessments and uniformity of assessments are within acceptable ranges as established by the ASB by considering, where appropriate, an assessment-to-sales-ratio study conducted by the DRA for the municipality.

1. The DRA shall determine if the median ratio falls between 0.90 and 1.10, inclusive, with a 90% confidence interval in the year of the review.

2. The DRA shall determine if the overall coefficient of dispersion (COD) for the municipality's median ratio is not greater than 20.0 without the use of a confidence interval.

B. Assessment practices substantially comply with applicable statutes and rules.

1. The DRA shall determine that all records of the municipality's assessor's office are available to the public pursuant to RSA 91-A, including but not limited to: property record cards; tax maps; data collection manuals; sales analysis pertaining to assessment values; USPAP report; property inventory warrants; and inventory forms (if applicable).

2. The DRA shall determine that property record cards reflect assessments of properties as of April 1 (RSA 74:1). When tested, 90% of the sample shall be correct. If there is a single sample that causes the review to not be met for this test due to the limited number of records in this category, the municipality will be reported to meet this standard. A municipality shall not assess parcels or new construction that did not exist as of April 1 of that tax year.

3. The DRA shall determine that a municipality has a revised inventory program in place that addresses compliance with RSA 75:8, which provides that annually, and in accordance with state assessing guidelines, assessors and selectmen shall adjust assessments to reflect changes so that all assessments are

reasonably proportional within the municipality.

4. The DRA shall determine that 85% of the current use property records in the sample reviewed have:

   a. A timely filed Form A-10, Application for Current Use Assessment in accordance with RSA 79-A:5 and Cub 302. If the original documents cannot be located, the municipality shall provide documentation of their attempt(s) to obtain the information from the landowner. If the landowner fails to respond, the municipal assessing officials may provide equivalent documentation to the best of their knowledge;

   b. If applicable, a timely filed Form CU-12, Summary of Forest Stewardship Plan for Current Use Assessment in accordance with RSA 79-A:5 and Cub 309.04;

   c. Current use valuations assessed in accordance with Cub 304; and,

   d. A procedure to determine, prior to July 1 of each year, if previously classified land has undergone a change in use for purposes of assessing the Land Use Change Tax in accordance with RSA 79-A:7.

   e. If there is a single sample that causes the review to not be met for this test due to the limited number of records in this category, the municipality will be reported to meet this standard.

5. The DRA shall determine that, in accordance with RSA 21-J:11, all appraisal service contracts or agreements in effect during the assessment review year for tax assessment purposes are:

   a. Submitted to the DRA, prior to work commencing, as notification that appraisal work shall be done in the municipality; and,

   b. Include the names of all personnel to be employed under the contract or agreement.

C. The DRA shall determine that exemption and tax credit procedures substantially comply with applicable statutes and rules by testing to see that:

1. A periodic review has been completed by the municipality at least once every assessment review cycle with no more than a 5% error rate for:

   a. All tax credit applications; and,

   b. All exemption applications.

   c. If there is a single sample that causes the review to not be met for this test due to the limited number of records in this category, the municipality will be reported to meet this standard.

2. Annually, pursuant to RSA 74:2, the municipality reviews all Religious, Educational and Charitable exemptions and has on file a current Form BTLA A-9, List of Real Estate on which Exemption is Claimed as described in Tax 401.04(b).

3. Annually, pursuant to RSA 72:23, VI, Form BTLA A-12, Charitable Organization Financial Statement, as described in Tax 401.01(c), for all charitable exemptions.

D. The DRA shall determine that assessments are based on reasonably accurate data:

1. The municipality has no material errors on at least 90% of the property record cards reviewed by the DRA. If there is a single sample that causes the review to not be met for this test due to the limited number of records in this category, the municipality will be reported to meet this standard. A material error is defined to be any error or combination of errors that results in a variance greater than 7.5% of the improved assessed value of the property if the errors are attributable to the improvements or if attributable to the assessed land value, a variance greater than 7.5% of the land or if attributable to both improvements and land a variance greater than 5% of the total assessed value; that includes but is not limited to:

a. Mathematical miscalculations;

b. Inconsistent land values without notation or documentation;

c. Inconsistent depreciation without notation or documentation;

d. Inconsistent neighborhood adjustments without notation or documentation;

e. Market adjustments without notation or documentation;

f. Acreage noted that does not match the tax map unless otherwise noted;

g. Omission of data such as, but not limited to:

i. Addition of improvements;

ii. Removal of improvements; and,

iii. Conversion of improvements;

h. Erroneous measurements resulting in a square foot variance of 10% or more of the primary improvement(s).

2. The level of accuracy of the data elements will be determined by the DRA by comparing the information regularly collected by the municipality on a sample of property record cards with the actual property. Prior to commencement of the review process, the DRA will meet with the municipality's assessing officials to obtain an understanding of the municipality's data collection techniques used to determine value and the data elements regularly collected by the municipality that are included on the municipality's property record cards.

E. The DRA shall determine that assessments of various types of properties are reasonably proportional to other types of properties within the municipality:

1. By determining that the municipality's median ratios with a 90% confidence level for the following 3 strata are within 5% of the overall median ratio (point estimate):

a. Improved residential up to and including 4-family units;

b. Improved non-residential; and,

c. Unimproved property.

2. No ratio shall be calculated by the DRA for a particular stratum unless a minimum of 8 sales are available in that stratum. If no ratio has been calculated, the sales will not be collapsed into another stratum.

3. The DRA shall calculate the municipality's price related differential (PRD). The PRD shall be between .98 and 1.03, inclusive, with a 90% confidence level.

F. For all revaluations including full revaluations, partial revaluations, cyclical revaluations and statistical updates conducted by either an independent contractor or an in-house assessor, a report based on the most recent edition of the Uniform Standards of Professional Appraisal Practice (USPAP) shall be produced within 30 days of the submission of the DRA MS-1 report:

1. Copies of this report shall be delivered to the municipality and to the DRA at no additional cost.

2. The DRA shall review these reports for compliance with the most recent edition of the USPAP and incorporate its findings in the assessment review process.

3. In accordance with RSA 21-J:11-a, II, the DRA shall report its findings to the ASB and the municipality.

IV. Property sales utilized in the DRA's annual assessment ratio study conducted for equalization purposes shall be used to calculate the median ratios, CODs, and PRDs under standards III (A) and (E) above. The ratio percentages shall be rounded to 3 places. The sample size of the ratio study shall contain at least 2% of the total taxable parcels in a municipality; and have a total of at least 8 sales. Alterations to property sales may be based upon documentation submitted by the municipality such as, but not limited to:

A. Sales involving an exchange of property for boundary line adjustments;

B. Sales of personal property included in the sale; and,

C. Sales of properties located in more than one municipality.

V. In accordance with RSA 21-J:14-b, II, these standards will be reviewed annually and updated as needed. Minutes of the ASB along with meeting and forum schedules may be found at the DRA website.

GLOSSARY

Assessment Review Year - The property tax year set by the department for which a municipality's assessment review shall occur.

Coefficient of Dispersion (COD) - A measure of assessment equity that represents the average absolute deviation of a group of ratios from the median ratio expressed as a percentage of the median.

Confidence Interval - The range established by electronic means within which one can conclude a measure of population lies.

Confidence Level - The required degree of confidence in a statistical test or confidence interval.

Department - The New Hampshire Department of Revenue Administration.

Level of Assessment - The overall ratio of appraised values of properties to market value of properties.

Mean Ratio - The result reached after the sum of all ratios is divided by the total number of ratios.

Median Ratio - The middle ratio when a set of all ratios is arranged in order of magnitude.

Point Estimate (of the Median Ratio) - A single number that represents the midpoint, or middle ratio, when the ratios are arrayed in order of magnitude.

Price Related Differential (PRD) - A measure of the differences in the appraisal of low value and high value properties in assessments, as calculated by dividing the mean ratio by the weighted mean ratio.

Ratio Study - The study of the relationship between appraised or assessed property values and the current market value of the properties.

Strata - A division of properties into subsets for analysis.

Uniformity of Assessments - The degree to which assessments bear a consistent relationship to market value.

USPAP Report - Uniform Standards of Professional Appraisal Practice.

Weighted Mean Ratio - The result reached when the sum of all appraised values is divided by the sum of all sale prices.

TITLE I

THE STATE AND ITS GOVERNMENT

CHAPTER 21-J

DEPARTMENT OF REVENUE ADMINISTRATION

Section 21-J:3

21-J:3 Duties of Commissioner. - XXVI. Review and report each municipality's assessments once within every 5 years pursuant to RSA 21-J:11-a.

Section 21-J:11

21-J:11 Appraisals of Property for Ad Valorem Tax Purposes. –
I. (a) Every person, firm, or corporation intending to engage in the business of making appraisals on behalf of a municipality for tax assessment purposes in this state shall notify the commissioner of that intent in writing. No person, firm, or corporation engaged in the business of making appraisals of taxable property for municipalities and taxing districts shall:
(1) Enter into any contract or agreement with any town, city, or governmental division without first submitting a copy of the contract or agreement to the commissioner along with the names and qualifications of all personnel to be employed under the contract or agreement for review of the proposed contract or agreement and written recommendations of the department to be made to the municipality within 10 working days of receipt by the department;
(2) Begin any appraisal work without first submitting a copy of the executed contract or agreement to the commissioner along with the names and qualifications of all personnel to be employed under the contract or agreement.
(b) Any contract or agreement entered into for a reassessment or new assessment ordered by the board of tax and land appeals, pursuant to RSA 71-B, shall be first submitted to the commissioner for examination and approval.
(c) This paragraph shall not apply to municipal employees.
II. The commissioner, at no expense to the municipality, shall monitor appraisals of property and supervise appraisers as follows:
(a) Assure that appraisals comply with all applicable statutes and rules;
(b) Assure that appraisers are complying with the terms of the appraisal contract or agreement;
(c) Review the accuracy of appraisals by inspection, evaluation, and testing, in whole or in part, of data collected by the appraisers; and
(d) Report to the governing body on the progress and quality of the municipality's appraisal process.
III. The commissioner shall adopt rules under RSA 541-A relative to the:
(a) Contract or agreement provisions for a full revaluation, a cyclical revaluation, a partial revaluation, or a statistical update; and
(b) Methodology for inspection, evaluation, and testing of data for the purpose of appraisal monitoring.

Source. 1985, 204:1. 1999, 17:8. 2002, 249:6. 2006, 193:4. 2007, 182:1, eff. April 1, 2007.

Section 21-J:11-a

21-J:11-a Assessment Report. –
I. The commissioner shall report the degree to which assessments of a municipality achieve substantial compliance with applicable statutes and rules. The commissioner may consider whether:
(a) Level of assessments and uniformity of assessments are within acceptable ranges as recommended by the assessing standards board by considering, where appropriate, an assessment-to-sales-ratio study conducted by the department for the municipality;
(b) Assessment practices substantially comply with applicable statutes and rules;
(c) Exemption and credit procedures substantially comply with applicable statutes and rules;
(d) Assessments are based on reasonably accurate data; and
(e) Assessments of various types of properties are reasonably proportional to other types of properties within the municipality.
II. The commissioner shall issue a copy of the report upon its completion to the municipality and to the assessing standards board. The report shall be completed after the completion of the equalization of property valuations conducted pursuant to RSA 21-J:3, XIII. When issued, the report shall be a public document.
III. [Repealed.]
IV. The report shall separately categorize compliance with findings that test current assessing practices since the year of the prior assessment report, examine permanent records, and summarize compliance in a single conclusion statement.

Source. 2001, 158:56. 2003, 307:7. 2004, 203:13, eff. June 11, 2004. 2013, 18:1, eff. May 16, 2013. 2018, 50:1, eff. July 14, 2018.

Section 21-J:11-b

21-J:11-b Implementation of Assessment Review. –
I. The commissioner of revenue administration shall adopt a schedule so that each city, town, and unincorporated place has its assessments reviewed within 5 years of April 1, 2007, and shall notify each city, town, and unincorporated place, within 60 days of passage of this act, of the property tax year for which their assessment review shall occur.
II. The department shall offer training and technical assistance to municipal officials to assist in complying with the provisions of RSA 75:8, RSA 75:8-a, and RSA 21-J:11-a.
III. The commissioner of revenue administration shall report in its annual report, the number of communities assisted and the types of assistance and training provided pursuant to RSA 21-J:10, RSA 21-J:11, and RSA 21-J:11-b, II.

Source. 2001, 158:56, eff. Sept. 3, 2001. 2003, 307:7, eff. July 1, 2003. 2007, 214:1, eff. Aug. 24, 2007.

TITLE VI

PUBLIC OFFICERS AND EMPLOYEES

CHAPTER 91-A

ACCESS TO GOVERNMENTAL RECORDS AND MEETINGS

91-A:4 Minutes and Records Available for Public Inspection. –

I. Every citizen during the regular or business hours of all public bodies or agencies, and on the regular business premises of such public bodies or agencies, has the right to inspect all governmental records in the possession, custody, or control of such public bodies or agencies, including minutes of meetings of the public bodies, and to copy and make memoranda or abstracts of the records or minutes so inspected, except as otherwise prohibited by statute or RSA 91-A:5. In this section, "to copy" means the reproduction of original records by whatever method, including but not limited to photography, photostatic copy, printing, or electronic or tape recording.

I-a. Records of any payment made to an employee of any public body or agency listed in RSA 91-A:1-a, VI(a)-(d), or to the employee's agent or designee, upon the resignation, discharge, or retirement of the employee, paid in addition to regular salary and accrued vacation, sick, or other leave, shall immediately be made available without alteration for public inspection. All records of payments shall be available for public inspection notwithstanding that the matter may have been considered or acted upon in nonpublic session pursuant to RSA 91-A:3.

II. After the completion of a meeting of a public body, every citizen, during the regular or business hours of such public body, and on the regular business premises of such public body, has the right to inspect all notes, materials, tapes, or other sources used for compiling the minutes of such meetings, and to make memoranda or abstracts or to copy such notes, materials, tapes, or sources inspected, except as otherwise prohibited by statute or RSA 91-A:5.

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.

III-a. Governmental records created or maintained in electronic form shall be kept and maintained for the same retention or archival periods as their paper counterparts. Governmental records in electronic form kept and maintained beyond the applicable retention or archival period shall remain accessible and available in accordance with RSA 91-A:4, III. Methods that may be used to keep and maintain governmental records in electronic form may include, but are not limited to, copying to microfilm or paper or to durable electronic media using standard or common file formats.

III-b. A governmental record in electronic form shall no longer be subject to disclosure pursuant to this section after it has been initially and legally deleted. For purposes of this paragraph, a record in electronic form shall be considered to have been deleted only if it is no longer readily accessible to the public body or agency itself. The mere transfer of an electronic record to a readily accessible "deleted items" folder or similar location on a computer shall not constitute deletion of the record.

IV. (a) 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.
(b) If a public body or agency is unable to make a governmental record available for immediate inspection and copying the public body or agency shall, within 5 business days of a request:
(1) Make such record available;
(2) Deny the request; or
(3) Provide a written statement of the time reasonably necessary to determine whether the request shall be granted or denied and the reason for the delay.
(c) A public body or agency denying, in whole or part, inspection or copying of any record shall provide a written statement of the specific exemption authorizing the withholding of the record and a brief explanation of how the exemption applies to the record withheld.
(d) If a computer, photocopying machine, or other device maintained for use by a public body or agency is used by the public body or agency to copy the governmental record requested, 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. No cost or fee shall be charged for the inspection or delivery, without copying, of governmental records, whether in paper, electronic, or other form. 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.
V. In the same manner as set forth in RSA 91-A:4, IV, 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 under this chapter or any other law. If copying to electronic media is not reasonably practicable, or if the person or entity requesting access requests a different method, the public body or agency may provide a printout of governmental records requested, or may use any other means reasonably calculated to comply with the request in light of the purpose of this chapter as expressed in RSA 91-A:1. Access to work papers, personnel data, and other confidential information under RSA 91-A:5, IV shall not be provided.
VI. Every agreement to settle a lawsuit against a governmental unit, threatened lawsuit, or other claim, entered into by any political subdivision or its insurer, shall be kept on file at the municipal clerk's office and made available for public inspection for a period of no less than 10 years from the date of settlement.
VII. Nothing in this chapter shall be construed to require a public body or agency to compile, cross-reference, or assemble information into a form in which it is not already kept or reported by that body or agency.

Source. 1967, 251:1. 1983, 279:2. 1986, 83:5. 1997, 90:2. 2001, 223:2. 2004, 246:2. 2008, 303:4. 2009, 299:1, eff. Sept. 29, 2009. 2016, 283:1, eff. June 21, 2016. 2019, 107:1, eff. Jan. 1, 2020; 163:2, eff. Jan. 1, 2020 at 12:01 a.m.

TITLE V

TAXATION

CHAPTER 74

ANNUAL INVENTORY OF POLLS AND TAXABLE PROPERTY

Section 74:1

74:1 Annual List. – The selectmen of each town shall annually make a list of all the polls and shall take an inventory of all the estate liable to be taxed in such town as of April 1.

Source. RS 41:1. CS 43:1. GS 51:1. GL 55:1. PS 57:1. PL 62:1. RL 75:1. RSA 74:1. 1969, 23:1, eff. April 22, 1969. 2003, 307:3, eff. July 1, 2003.

CHAPTER 75

APPRAISAL OF TAXABLE PROPERTY

Section 75:8

75:8 Revised Inventory. –
I. Annually, and in accordance with state assessing guidelines, the assessors and selectmen shall adjust assessments to reflect changes so that all assessments are reasonably proportional within that municipality. All adjusted assessments shall be included in the inventory of that municipality and shall be sworn to in accordance with RSA 75:7.
II. Assessors and selectmen shall consider adjusting assessments for any properties that:
(a) They know or believe have had a material physical change;
(b) Changed in ownership;
(c) Have undergone zoning changes;
(d) Have undergone changes to exemptions, credits or abatements;
(e) Have undergone subdivision, boundary line adjustments, or mergers; or
(f) Have undergone other changes affecting value.

Source. 1876, 27:1. GL 56:11. PS 58:7. PL 63:7. RL 76:8. RSA 75:8. 1969, 23:7. 2001, 158:53. 2003, 307:13, eff. July 1, 2003.

75:8-a Five-Year Valuation. –
The assessors and/or selectmen shall reappraise all real estate within the municipality so that the assessments are at full and true value at least as often as every fifth year, beginning with the later of either of the following:
I. The first year a municipality's assessments were reviewed by the commissioner of the department of revenue administration pursuant to RSA 21-J:3, XXVI and the municipality's assessments were determined

to be in accordance with RSA 75:1; or
II. The municipality conducted a full revaluation monitored by the department of revenue administration pursuant to RSA 21-J:11, II, provided that the full revaluation was effective on or after April 1, 1999.

Source. 2001, 158:54. 2003, 307:11. 2005, 119:1, eff. June 15, 2005.

75:8-b Annual Appraisal; Municipalities Over 10,000. – Except when assessing real estate under RSA 75:8-a, any municipality with a population over 10,000 as determined pursuant to RSA 78-A:25 intending to appraise real estate annually at market value, as defined in RSA 75:1, shall authorize such annual appraisal by a majority vote of the governing body. The governing body shall hold 2 public hearings regarding the annual appraisal process at least 15 days, but not more than 60 days, prior to the governing body's authorization vote. Any municipality with a population over 10,000 as determined pursuant to RSA 78-A:25 annually appraising real estate at market value shall provide notification of changes to the assessed valuation prior to the issuance of the final tax bill, either by individual notice to the property owner, by public notice in a newspaper of general circulation, or by any other means deemed appropriate by the governing body.

Source. 2004, 203:15, eff. June 11, 2004.

CHAPTER 79-A

CURRENT USE TAXATION

Section 79-A:5

79-A:5 Assessment of Open Space Land. –
I. The selectmen or assessing officials shall appraise open space land, as classified under the provisions of this chapter, excluding any building, appurtenance or other improvement on the land, at valuations based upon the current use values established by the board. The valuations shall be equalized for the purpose of assessing taxes. The selectmen or assessing officials shall use the soil potential index when available, to determine the value of farm land within the ranges established by the board. It shall be the duty of the owner to provide the soil potential index to the selectmen or assessing officials.
II. No owner of land shall be entitled to have a particular parcel of his land classified for any tax year under the provisions of this chapter unless he shall have applied to the assessing officials on or before April 15 of said year, on a form approved by the board and provided by the commissioner, to have his parcel of land so classified. If any owner shall satisfy the assessing officials that he was prevented by accident, mistake or misfortune from filing said application on or before April 15, said officials may receive said application at a later date and classify the parcel of land hereunder; but no such application shall be received after the local tax rate has been approved by the commissioner for that year.
III. The assessing officials shall notify the applicant on a form provided by the commissioner no later than July 1, or within 15 days if the application is filed after July 1, of their decision to classify or refusal to classify his parcel of land by delivery of such notification to him in person or by mailing such notification to his last and usual place of abode.
IV. Prior to July 1 each year, the assessing officials shall determine if previously classified lands have been reapplied or have undergone a change in use so that the land use change tax may be levied against lands

changed in use, according to RSA 79-A:7. A list of all classified lands and their owners in each town or city shall be filed by the respective assessing officials each year. Such list shall be part of the invoice and subject to inspection as provided in RSA 76:7.
V. [Repealed.]
V-a. The commissioner shall include on the inventory blank, required under RSA 74:4, a question concerning whether any changes have been made in the use of land classified as open space. The question shall be written to enable the assessing officials to locate parcels which may require a change in assessment and to fit the context of the blank.
VI. The assessing officials shall file with the register of deeds in the appropriate county, on or before August 1 in each year, a notice of contingent liens describing all parcels of land classified under the provisions of this chapter. If a parcel of land is classified as open space land after such date, the assessing officials shall file notice of contingent lien with the register of deeds in the appropriate county within 14 days of said classification. The notice filed pursuant to this paragraph shall be on a form approved by the board and provided by the commissioner, shall contain the name of each owner, the date of classification and a short description of each parcel of real estate together with such other information as the board may prescribe; provided, however, the assessing officials shall not file each year parcels of land classified under this chapter which have been previously filed, unless there has been some change in the acreage involved.
VII. A fee, in accordance with RSA 478:17-g, I, shall be paid by the owner for each parcel which is classified as open space land to the local assessing officials, to be paid over to the register of deeds for recording the notice of contingent lien. The notice of contingent lien shall constitute notice to all interested parties that a lien on the parcel shall be created if and when the land is subsequently disqualified from current use assessment, as provided in RSA 79-A:7, II(e) and RSA 80:85.

Source. 1973, 372:1. 1974, 7:5-8. 1975, 197:2. 1977, 326:4. 1979, 183:1. 1981, 561:2. 1988, 5:2, 4. 1989, 50:6. 1991, 281:8-10, 26, I, eff. Aug. 17, 1991.

CHAPTER 72

PERSONS AND PROPERTY LIABLE TO TAXATION

Section 72:27-a

72:27-a Procedure for Adoption, Modification, or Rescission. –
I. Any town or city may adopt the provisions of RSA 72:28, RSA 72:28-b, RSA 72:29-a, RSA 72:35, RSA 72:37, RSA 72:37-b, RSA 72:38-b, RSA 72:39-a, RSA 72:62, RSA 72:66, RSA 72:70, RSA 72:76, or RSA 72:82***, RSA 72:85*** in the following manner:
(a) In a town, other than a town that has adopted a charter pursuant to RSA 49-D, the question shall be placed on the warrant of a special or annual town meeting, by the governing body or by petition pursuant to RSA 39:3.
(b) In a city or town that has adopted a charter pursuant to RSA 49-C or RSA 49-D, the legislative body may consider and act upon the question in accordance with its normal procedures for passage of resolutions, ordinances, and other legislation. In the alternative, the legislative body of such municipality may vote to place the question on the official ballot for any regular municipal election.
II. The vote shall specify the provisions of the property tax exemption or credit, the amount of such exemption or credit, and the manner of its determination, as listed in paragraph I. If a majority of those voting on the question vote "yes," the exemption or credit shall take effect within the town or city, on the

date set by the governing body, or in the tax year beginning April 1 following its adoption, whichever shall occur first.
III. A municipality may modify, if applicable, or rescind the exemption or credits provided in paragraph I in the manner described in this section.
IV. An amendment to a statutory provision listed in paragraph I related to an exemption or credit amount or to the eligibility or application of an exemption or credit, shall apply in a municipality which previously adopted the provision only after the municipality complies with the procedure in this section, unless otherwise expressly required by law.

Source. 2003, 299:1; 299:23. 2004, 170:3. 2008, 224:3, eff. July 1, 2008. 2016, 217:2, eff. Aug. 8, 2016. 2017, 179:1, eff. Aug. 28, 2017. 2019, 327:3, eff. Oct. 15, 2019.

Section 72:33

72:33 Application for Exemption or Tax Credit. –

I. No person shall be entitled to the exemptions or tax credits provided by RSA 72:28, 28-b, 28-c, 29-a, 30, 31, 32, 35, 36-a, 37, 37-a, 37-b, 38-b, 39-b, 62, 66, and 70 unless the person has filed with the selectmen or assessors, by April 15 preceding the setting of the tax rate, a permanent application therefor, signed under penalty of perjury, on a form approved and provided by the commissioner of revenue administration, showing that the applicant is the true and lawful owner of the property on which the exemption or tax credit is claimed and that the applicant was duly qualified upon April 1 of the year in which the exemption or tax credit is first claimed, or, in the case of financial qualifications, that the applicant is duly qualified at the time of application. The form shall include the following and such other information deemed necessary by the commissioner:
(a) Instructions on completing and filing the form, including an explanation of the grounds for requesting tax exemptions and credits pursuant to RSA 72.
(b) Sections for information concerning the applicant, the property for which the relief is sought, and other properties owned by the person applying.
(c) A section explaining the appeal procedure and stating the appeal deadline in the event the municipality denies the tax relief request in whole or in part.
(d) A place for the applicant's signature with a certification by the person applying that the application has a good faith basis and the facts in the application are true.
I-a. If any person, otherwise qualified to receive an exemption or credit, shall satisfy the selectmen or assessors that he or she was prevented by accident, mistake, or misfortune from filing a permanent application or amended permanent application on or before April 15 of the year in which he or she desires the exemption to begin, said officials may receive the application at a later date and grant an exemption or credit for that year; but no such application shall be received or exemption or credit granted after the local tax rate has been approved for that year.

I-b. Notwithstanding the April 15 application deadline in paragraph I, a person may apply for the tax credit for combat service under RSA 72:28-c at any point during the tax year in which the person is engaged in combat service. If the application is received and granted after the tax rate for the city or town is set, the credit shall be applied to the balance of tax payments due for that year. If a person is deemed eligible for the tax credit after taxes have been billed and paid for the tax year in which the person served, the credit shall be applied in the following year.
II. Any person who changes residence after filing such a permanent application shall file an amended permanent application on or before December 1 immediately following the change of residence. The filing

of the permanent application shall be sufficient for said persons to receive these exemptions or tax credits on an annual basis so long as the applicant does not change residence.
III. If the selectmen or assessors are satisfied that the applicant has willfully made any false statement in the application to obtain an exemption or tax credit, they may refuse to grant the exemption or tax credit.
IV. [Repealed.]
V. In addition to the above requirements, applicants for exemption who claim ownership pursuant to RSA 72:29, VI shall file with their application an additional statement signed under penalty of perjury, on a form approved and provided by the commissioner of revenue administration, showing they meet the requirements of RSA 72:29, VI.
VI. The assessing officials may require applicants for any exemption or tax credit to file the information listed in RSA 72:34, or the statement required by RSA 72:33, V periodically but no more frequently than annually. Failure to file such periodic statements may, at the discretion of the assessing officials, result in a loss of the exemption or tax credit for that year.

Source. 1947, 240:1, par. 29-d. RSA 72:33. 1969, 55:1. 1973, 544:8. 1977, 502:1. 1983, 155:8; 385:1. 1987, 325:1. 1991, 70:14. 1994, 102:2; 390:3, 8. 1995, 265:3, 20. 1996, 140:7. 1997, 281:1. 2003, 131:1; 299:6, 25, 26. 2007, 182:3, eff. April 1, 2007. 2016, 217:6, eff. Aug. 8, 2016. 2018, 151:4, 5, eff. Jan. 1, 2019.

Section 72:39-a

72:39-a Conditions for Elderly Exemption. –
I. No exemption shall be allowed under RSA 72:39-b unless the person applying therefor:
(a) Has resided in this state for at least 3 consecutive years preceding April 1 in the year in which the exemption is claimed.
(b) Had in the calendar year preceding said April 1 a net income from all sources, or if married, a combined net income from all sources, of not more than the respective amount applicable to each age group as determined by the city or town for purposes of RSA 72:39-b. Under no circumstances shall the amount determined by the city or town be less than $13,400 for a single person or $20,400 for married persons. The net income shall be determined by deducting from all moneys received, from any source including social security or pension payments, the amount of any of the following or the sum thereof:
(1) Life insurance paid on the death of an insured;
(2) Expenses and costs incurred in the course of conducting a business enterprise;
(3) Proceeds from the sale of assets.
(c) Owns net assets not in excess of the amount determined by the city or town for purposes of RSA 72:39-b, excluding the value of the person's actual residence and the land upon which it is located up to the greater of 2 acres or the minimum single family residential lot size specified in the local zoning ordinance. The amount determined by the city or town shall not be less than $35,000. A city or town may set a combined net assets amount for married persons in such greater amount as the legislative body of the city or town may determine. "Net assets" means the value of all assets, tangible and intangible, minus the value of any good faith encumbrances. "Residence" means the housing unit, and related structures such as an unattached garage or woodshed, which is the person's principal home, and which the person in good faith regards as home to the exclusion of any other places where the person may temporarily live. "Residence" shall exclude attached dwelling units and unattached structures used or intended for commercial or other nonresidential purposes.
II. Additional requirements for an exemption under RSA 72:39-b shall be that the property is:
(a) Owned by the resident; or
(b) Owned by a resident jointly or in common with the resident's spouse, either of whom meets the age

requirement for the exemption claimed; or
(c) Owned by a resident jointly or in common with a person not the resident's spouse, if the resident meets the applicable age requirement for the exemption claimed; or
(d) Owned by a resident, or the resident's spouse, either of whom meets the age requirement for the exemption claimed, and when they have been married to each other for at least 5 consecutive years.
III. Upon the death of an owner residing with a spouse pursuant to subparagraph II(b) or II(d), the combined net asset amount for married persons determined by the city or town shall continue to apply to the surviving spouse for the purpose of the exemption granted under RSA 72:39-b until the sale or transfer of the property by the surviving spouse or until the remarriage of the surviving spouse.

Source. 1996, 140:1. 2003, 299:14, 15. 2004, 238:3. 2006, 212:1, eff. June 1, 2006.

Section 72:39-b

72:39-b Procedure for Adoption and Modification of Elderly Exemption. –
I. A town or city may adopt or modify elderly exemptions by the procedure in RSA 72:27-a.
II. An elderly exemption, based on assessed value for qualified taxpayers, may be granted for a different dollar amount determined by the town or city, to a person 65 years of age up to 75 years, to a person 75 years of age up to 80 years, and to a person 80 years of age or older. To qualify, the person must have been a New Hampshire resident for at least 3 consecutive years, own the real estate individually or jointly, or if the real estate is owned by such person's spouse, they must have been married to each other for at least 5 consecutive years. In addition, the taxpayer must have a net income in each applicable age group of not more than a dollar amount determined by the town or city of not less than $13,400 or, if married, a combined net income of not more than a dollar amount determined by the town or city of not less than $20,400; and own net assets not in excess of a dollar amount determined by the town or city of not less than $35,000 excluding the value of the person's residence or, if married, combined net assets not in excess of a dollar amount determined by the town or city of not less than $35,000 excluding the value of the residence. Under no circumstances shall the amounts of the exemption for any age category be less than $5,000. The combined net asset amount for married persons shall apply to a surviving spouse until the sale or transfer of the property by the surviving spouse or until the remarriage of the surviving spouse.

Source. 1996, 140:1. 1997, 241:2. 2003, 299:16. 2004, 238:4. 2006, 212:2, eff. June 1, 2006.

CHAPTER 72

PERSONS AND PROPERTY LIABLE TO TAXATION

Section 72:28

72:28 Standard and Optional Veterans' Tax Credit. –
I. The standard veterans' tax credit shall be $50.
II. The optional veterans' tax credit, upon adoption by a city or town pursuant to RSA 72:27-a, shall be an amount from $51 up to $750. The optional veterans' tax credit shall replace the standard veterans' tax credit in its entirety and shall not be in addition thereto.
III. Either the standard veterans' tax credit or the optional veterans' tax credit shall be subtracted each year

from the property tax on the veteran's residential property. However, the surviving spouse of a resident who suffered a service-connected death may have the amount subtracted from the property tax on any real property in the same municipality where the surviving spouse is a resident.
IV. The following persons shall qualify for the standard veterans' tax credit or the optional veterans' tax credit:
(a) Every resident of this state who served not less than 90 days on active service in the armed forces of the United States in any qualifying war or armed conflict listed in this section and was honorably discharged or an officer honorably separated from service; or the spouse or surviving spouse of such resident, provided that Title 10 training for active duty by a member of a national guard or reserve shall be included as service under this subparagraph;
(b) Every resident of this state who was terminated from the armed forces because of service-connected disability; or the surviving spouse of such resident; and
(c) The surviving spouse of any resident who suffered a service-connected death.
V. Service in a qualifying war or armed conflict shall be as follows:
(a) "World War I" between April 6, 1917 and November 11, 1918, extended to April 1, 1920 for service in Russia; provided that military or naval service on or after November 12, 1918 and before July 2, 1921, where there was prior service between April 6, 1917 and November 11, 1918 shall be considered as World War I service;
(b) "World War II" between December 7, 1941 and December 31, 1946;
(c) "Korean Conflict" between June 25, 1950 and January 31, 1955;
(d) "Vietnam Conflict" between December 22, 1961 and May 7, 1975;
(e) "Vietnam Conflict" between July 1, 1958 and December 22, 1961, if the resident earned the Vietnam service medal or the armed forces expeditionary medal;
(f) "Persian Gulf War" between August 2, 1990 and the date thereafter prescribed by Presidential proclamation or by law; and
(g) Any other war or armed conflict that has occurred since May 8, 1975, and in which the resident earned an armed forces expeditionary medal or theater of operations service medal.

Source. 1871, 13:1. GL 54:2. PS 56:4. 1907, 95:1. 1919, 54:1. 1921, 12:3; 103:1. 1923, 68:2. PL 60:26. 1941, 157:1. RL 73:29. 1943, 174:1. 1944, 4:1. 1947, 240:1, par. 29. 1949, 167:1. 1951, 132:1. RSA 72:28. 1955, 289:1. 1963, 49:1; 118:1; 324:1. 1967, 35:1, 2; 219:1, 2. 1971, 303:1. 1975, 282:1. 1976, 42:1, 2. 1977, 61:1. 1979, 288:2. 1981, 215:1. 1989, 64:1; 270:1. 1991, 70:3-6. 1992, 70:3. 1993, 73:3, 10; 262:1. 2003, 299:2. 2005, 126:1, eff. April 1, 2006. 2013, 254:2, eff. July 24, 2013. 2016, 217:9, eff. Aug. 8, 2016. 2018, 148:1, eff. Apr. 1, 2018.

Section 72:28-b

72:28-b All Veterans' Tax Credit. –
I. A town or city may adopt or rescind the all veterans' property tax credit granted under this section by the procedure in RSA 72:27-a.
II. The credit granted under this section shall be the same as the amount of the standard or optional veterans' tax credit in effect in the town or city under RSA 72:28. A town or city with an existing standard or optional veterans' tax credit under RSA 72:28 prior to August 18, 2016, adopting the credit under this section, may phase in the amount of the all veterans' tax credit over a 3-year period to match the standard or optional veterans' tax credit.
III. The all veterans' tax credit shall be subtracted each year from the property tax on the veteran's residential property.
IV. A person shall qualify for the all veterans' tax credit if the person is a resident of this state who served not less than 90 days on active service in the armed forces of the United States and was honorably discharged or an officer honorably separated from service; or the spouse or surviving spouse of such

resident, provided that Title 10 training for active duty by a member of a national guard or reserve shall be included as service under this paragraph; provided however that the person is not eligible for and is not receiving a credit under RSA 72:28 or RSA 72:35.

Source. 2016, 217:1, eff. Aug. 8, 2016. 2017, 109:1, eff. June 8, 2017.

Section 72:28-c

72:28-c Optional Tax Credit for Combat Service. –

I. A town or city may adopt or rescind an optional tax credit for combat service pursuant to the procedure provided in RSA 72:27-a.

II. The optional tax credit for combat service, upon adoption by a city or town pursuant to RSA 72:27-a, shall be an amount from $50 up to $500. The tax credit for combat service shall be subtracted each year from the property tax on the qualifying service member's residential real estate, as defined in RSA 72:29, II.

III. To qualify for the tax credit for combat service, a person shall be a resident of this state engaged at any point during the taxable period in combat service as a member of the New Hampshire national guard or a reserve component of the Unites States armed forces, called to active duty. For purposes of this section, and in accordance with Internal Revenue Service Publication 3, Armed Forces Tax Guide, "combat service" shall mean military service in one of the following areas:

(a) An active combat area as designated by the President in an Executive Order, for which the service member receives special pay for duty subject to hostile fire or imminent danger as certified by the Department of Defense.

(b) A support area as designated by the Department of Defense in direct sustainment of military operations in the combat zone, for which the service member receives special pay for duty subject to hostile fire or imminent danger as certified by the Department of Defense.

(c) Service in a contingency operation as designated by the Department of Defense, for which the service member receives special pay for duty subject to hostile fire or imminent danger as certified by the Department of Defense.

IV. The application for the tax credit under this section shall be accompanied by the service member's military orders, and shall include such information as may be required for the assessor's office to verify the dates of combat service.

V. A tax credit for combat service shall be in lieu of, and not in addition to, the optional veteran's tax credit under RSA 72:28 or the all veterans' tax credit under RSA 72:28-b. The service member shall be eligible for the credit in each tax year in which the combat service occurs, but the credit may be prorated in the second tax year based on the duration of combat service.

Source. 2018, 151:1, eff. Jan. 1, 2019.

Section 72:35

72:35 Tax Credit for Service-Connected Total Disability. –

I. Any person who has been honorably discharged or an officer honorably separated from the military service of the United States and who has total and permanent service-connected disability, or who is a double amputee or paraplegic because of service-connected injury, or the surviving spouse of such a person, shall receive a standard yearly tax credit in the amount of $700 of property taxes on the person's residential property.

I-a. The optional tax credit for service-connected total disability, upon adoption by a city or town pursuant to RSA 72:27-a, shall be an amount from $701 up to $4,000. The optional tax credit for service-connected

total disability shall replace the standard tax credit in its entirety and shall not be in addition thereto.
I-b. Either the standard tax credit for service-connected total disability or the optional tax credit for service-connected total disability shall be subtracted each year from the property tax on the person's residential property.
II. The standard or optional tax credit under this section may be applied only to property which is occupied as the principal place of abode by the disabled person or the surviving spouse. The tax credit may be applied to any land or buildings appurtenant to the residence or to manufactured housing if that is the principal place of abode.
III. (a) Any person applying for the standard or optional tax credit under this section shall furnish to the assessors or selectmen certification from the United States Department of Veterans' Affairs that the applicant is rated totally and permanently disabled from service connection. The assessors or selectmen shall accept such certification as conclusive on the question of disability unless they have specific contrary evidence and the applicant, or the applicant's representative, has had a reasonable opportunity to review and rebut that evidence. The applicant shall also be afforded a reasonable opportunity to submit additional evidence on the question of disability.
(b) Any decision to deny an application shall identify the evidence upon which the decision relied and shall be made within the time period provided by law.
(c) Any tax credit shall be divided evenly among the number of tax payments required annually by the town or city so that a portion of the tax credit shall apply to each tax payment to be made.

Source. 1947, 240:1, par. 29-f. RSA 72:35. 1955, 283:1. 1963, 174:1. 1967, 219:6. 1969, 54:1. 1973, 553:1. 1975, 277:2. 1983, 95:1. 1989, 64:3. 1991, 70:17. 1993, 73:6, 7. 2000, 54:1. 2003, 299:8, eff. April 1, 2003. 2018, 105:1, eff. Jan. 1, 2019.

Section 72:37

72:37 Exemption for the Blind. – Every inhabitant who is legally blind as determined by the blind services program, bureau of vocational rehabilitation, department of education shall be exempt each year on the assessed value, for property tax purposes, of his or her residential real estate to the value of $15,000, and a city or town may exempt any amount it may determine is appropriate to address significant increases in property values in accordance with the procedures in RSA 72:27-a. The term "residential real estate" as used in this section shall mean the same as defined in RSA 72:29. All applications made under this section shall be subject to the provisions of RSA 72:33 and RSA 72:34.

Source. 1935, 71:1. RL 73:30. RSA 72:37. 1957, 299:1. 1967, 419:1. 1973, 285:1; 538:1. 1975, 198:1. 1979, 100:1. 1985, 329:1. 1991, 70:21. 1992, 215:1. 1994, 379:2. 2003, 299:10, eff. April 1, 2003.

Section 72:37-b

72:37-b Exemption for the Disabled. –
I. Upon its adoption by a city or town as provided in RSA 72:27-a, any person who is eligible under Title II or Title XVI of the federal Social Security Act for benefits to the disabled shall receive a yearly exemption in an amount to be chosen by the town or city.
I-a. Upon the adoption of this paragraph by a city or town as provided in RSA 72:27-a, a person who is eligible under Title II or Title XVI of the federal Social Security Act on his or her sixty-fifth birthday shall remain eligible for a yearly exemption either in the amount of the exemption applicable under paragraph I or

the amount of the elderly exemption granted to the person under RSA 72:39-b, whichever is greater.
I-b. Upon the adoption of this paragraph by a city or town as provided in RSA 72:27-a, any person who at any time previously was eligible under Title II or Title XVI of the federal Social Security Act for benefits to the disabled, but who is no longer eligible for such federal benefits due to reasons other than the status of that person's disability, shall be eligible for the exemption under paragraph I or I-a, or both as may be applicable, provided that the person submits an affidavit from a physician licensed in New Hampshire that attests to the fact that the person continues to meet the criteria for disability that are used under Title II or Title XVI of the federal Social Security Act.
II. The exemptions in paragraph I and I-a may be applied only to property which is occupied as the principal place of abode by the disabled person. The exemption may be applied to any land or buildings appurtenant to the residence or to manufactured housing if that is the principal place of abode. Nothing in this section shall preclude a qualified applicant from earning an income.
III. No exemption shall be allowed under paragraph I or I-a unless the person applying for an exemption:
(a) Had, in the calendar year preceding said April 1, a net income from all sources, or if married, a combined net income from all sources, of not more than the respective amount determined by the city or town for purposes of paragraph I or I-a. Under no circumstances shall the amount determined by the city or town be less than $13,400 for a single person or $20,400 for married persons. The net income shall be determined by deducting from all moneys received, from any source including social security or pension payments, the amount of any of the following or the sum thereof:
(1) Life insurance paid on the death of an insured.
(2) Expenses and costs incurred in the course of conducting a business enterprise.
(3) Proceeds from the sale of assets.
(b) Owns net assets not in excess of the amount determined by the city or town for purposes of paragraph I, excluding the value of the person's actual residence and the land upon which it is located up to the greater of 2 acres or the minimum single family residential lot size specified in the local zoning ordinance. The amount determined by the city or town shall not be less than $35,000 or, if married, combined net assets in such greater amount as may be determined by the town or city. "Net assets" means the value of all assets, tangible and intangible, minus the value of any good faith encumbrances. "Residence" means the housing unit, and related structures such as an unattached garage or woodshed, which is the person's principal home, and which the person in good faith regards as home to the exclusion of any other places where the person may temporarily live. "Residence" shall exclude attached dwelling units and unattached structures used or intended for commercial or other nonresidential purposes.
(c) Has been a New Hampshire resident for at least 5 years.
IV. Additional requirements for an exemption under paragraph I or I-a shall be that the property is:
(a) Owned by the resident;
(b) Owned by a resident jointly or in common with the resident's spouse, either of whom meets the requirements for the exemption claimed;
(c) Owned by a resident jointly or in common with a person not the resident's spouse, if the resident meets the applicable requirements for the exemption claimed; or
(d) Owned by a resident, or the resident's spouse, either of whom meets the requirements for the exemption claimed, and when they have been married to each other for at least 5 consecutive years.

Source. 1993, 212:1. 1997, 87:1. 2003, 299:11. 2004, 238:2. 2008, 307:1, eff. April 1, 2008.

Section 72:38-b

72:38-b Exemption for Deaf or Severely Hearing Impaired Persons; Procedure for Adoption. –
I. Any deaf person or person with severe hearing impairment shall be exempt each year on the assessed value, for property tax purposes, of his or her residential real estate to the value of $15,000, and a city or town may exempt any amount it may determine is appropriate to address significant increases in property values in accordance with the procedures in this section. For residential real estate owned by the spouse of an eligible person, the exemption shall be allowed if they have been married for at least 5 years. The term "residential real estate" as used in this section shall mean the same as defined in RSA 72:29. All applications made under this section shall be subject to the provisions of RSA 72:33 and RSA 72:34.
II. The exemption in paragraph I applies only to property which is occupied as the principal place of abode by the eligible deaf person or person with severe hearing impairment. For purposes of this section, "deaf person or person with severe hearing impairment" means a person who has a 71 Db hearing average hearing loss or greater in the better ear as determined by a licensed audiologist or qualified otolaryngologist, who may rely on a visual means of communication, such as American Sign Language or speech recognition, and whose hearing is so impaired as to substantially limit the person from processing linguistic information through hearing, with or without amplification, so as to require the use of an interpreter or auxiliary aid. The exemption may be applied to any land or buildings appurtenant to the residence or to manufactured housing if that is the principal place of abode.
III. No exemption shall be allowed under paragraph I unless the person applying therefor:
(a) Has resided in this state for at least 5 consecutive years preceding April 1 in the year in which the exemption is claimed.
(b) Had in the calendar year preceding said April 1 a net income from all sources, or if married, a combined net income from all sources, of not more than the respective amount determined by the city or town for purposes of paragraph I. Under no circumstances shall the amount determined by the city or town be less than $13,400 for a single person or $20,400 for married persons. The net income shall be determined by deducting from all moneys received, from any source including social security or pension payments, the amount of any of the following or the sum thereof:
(1) Life insurance paid on the death of an insured.
(2) Expenses and costs incurred in the course of conducting a business enterprise.
(3) Proceeds from the sale of assets.
(c) Owns net assets not in excess of the amount determined by the city or town for purposes of paragraph I, excluding the value of the person's actual residence and the land upon which it is located up to the greater of 2 acres or the minimum single family residential lot size specified in the local zoning ordinance. The amount determined by the city or town shall not be less than $35,000 or, if married, combined net assets in such greater amount as may be determined by the town or city. "Net assets" means the value of all assets, tangible and intangible, minus the value of any good faith encumbrances. "Residence" means the housing unit, and related structures such as an unattached garage or woodshed, which is the person's principal home, and which the person in good faith regards as home to the exclusion of any other places where the person may temporarily live. "Residence" shall exclude attached dwelling units and unattached structures used or intended for commercial or other nonresidential purposes.
IV. Additional requirements for an exemption under paragraph I shall be that the property is:
(a) Owned by the resident;
(b) Owned by a resident jointly or in common with the resident's spouse, either of whom meets the requirements for the exemption claimed;
(c) Owned by a resident jointly or in common with a person not the resident's spouse, if the resident meets the applicable requirements for the exemption claimed;
(d) Owned by a resident, or the resident's spouse, either of whom meets the requirements for the exemption

claimed, and when they have been married to each other for at least 5 consecutive years.
V. In addition to the exemption provided in this section, a person may claim an exemption for improvements to assist persons who are deaf or severely hearing impaired as follows:
(a) Every owner of residential real estate upon which he or she resides, and to which he or she has made improvements for the purpose of assisting a person who is deaf or severely hearing impaired who also resides on such real estate, is each year entitled to an exemption from the assessed value, for property tax purposes, upon such residential real estate determined by deducting the value of such improvements from the assessed value of the residential real estate before determining the taxes upon such real estate.
(b) The exemption under this paragraph shall apply only in taxable years during which the person who is deaf or severely hearing impaired resided on the residential real estate for which the exemption is claimed on April 1 in any given year.
VI. Any town or city may adopt, modify, or rescind the provisions of this section in the manner provided in RSA 72:27-a.
VII. The vote shall specify the provisions of the exemptions provided in RSA 72:38-b. The exemption shall take effect in the tax year beginning April 1 following its adoption.
VIII. A municipality may rescind the exemptions provided by this section in the manner described in paragraph VI.

Source. 2003, 131:3, eff. April 1, 2003; 299:24, eff. April 1, 2003 at 12:01 a.m.

Section 72:23-c (BTLA Form A-9)

72:23-c Annual List. –
I. Every religious, educational and charitable organization, Grange, the Veterans of Foreign Wars, the American Legion, the Disabled American Veterans, the American National Red Cross and any other national veterans association shall annually, on or before April 15, file a list of all real estate and personal property owned by them on which exemption from taxation is claimed, upon a form prescribed and provided by the board of tax and land appeals, with the selectmen or assessors of the place where such real estate and personal property are taxable. If any such organization or corporation shall willfully neglect or refuse to file such list upon request therefor, the selectmen may deny the exemption. If any organization, otherwise qualified to receive an exemption, shall satisfy the selectmen or assessors that they were prevented by accident, mistake or misfortune from filing an application on or before April 15, the officials may receive the application at a later date and grant an exemption thereunder for that year; but no such application shall be received or exemption granted after the local tax rate has been approved for that year.
II. City assessors, boards of selectmen, and other officials having power to act under the provisions of this chapter to grant or deny tax exemptions to religious, educational, and charitable organizations shall have the authority to request such materials concerning the organization seeking exemption including its organizational documents, nature of membership, functions, property and the nature of that property, and such other information as shall be reasonably required to make determinations of exemption of property under this chapter. Such information shall be provided within 30 days of a written request. Failure to provide information requested under this section shall result in a denial of exemption unless it is found that such requests were unreasonable.

Source. 1957, 202:4. 1961, 233:2. 1973, 544:8. 1983, 8:2. 1988, 1:3. 1991, 306:4. 1994, 378:2, eff. April 1, 1994.

Section 72:23 (BTLA Form A-12)

72:23 Real Estate and Personal Property Tax Exemption. –
The following real estate and personal property shall, unless otherwise provided by statute, be exempt from taxation:
I. (a) Lands and the buildings and structures thereon and therein and the personal property owned by the state of New Hampshire or by a New Hampshire city, town, school district, or village district unless said real or personal property is used or occupied by other than the state or a city, town, school district, or village district under a lease or other agreement the terms of which provide for the payment of properly assessed real and personal property taxes by the party using or occupying said property. The exemption provided herein shall apply to any and all taxes against lands and the buildings and structures thereon and therein and the personal property owned by the state, cities, towns, school districts, and village districts, which have or may have accrued since March 31, 1975, and to any and all future taxes which, but for the exemption provided herein, would accrue against lands and buildings and structures thereon and therein and the personal property owned by the state, cities, towns, school districts, and village districts.
(b)(1)(A) All leases and other agreements, the terms of which provide for the use or occupation by others of real or personal property owned by the state or a county, city, town, school district, or village district, entered into after July 1, 1979, shall provide for the payment of properly assessed real and personal property taxes by the party using or occupying said property no later than the due date.
(B) Annually, on or before April 15, the lessors of all leases and other agreements, the terms of which provide for the use or occupation by others of real or personal property owned by the state or a county, city, town, school district, or village district, including those properties identified under subparagraph (d), shall provide written notice and a copy of the lease or other agreement to the assessing officials of the municipality in which the property is located.
(2) Subparagraph (1) shall not apply to leases of state-owned railroad properties which are subject to railroad taxes under the provisions of RSA 82 or which provide revenue to the state, a portion of which is distributed to cities and towns pursuant to RSA 228:69, I(a).
(3) Any political subdivision of the state may adopt as an exemption from the requirement of subparagraph (1) land leased exclusively for agriculture as defined in RSA 21:34-a, II.
(4) All leases and agreements described in subparagraph (1) unless exempted under subparagraphs (2) or (3) shall include a provision that "failure of the lessee to pay the duly assessed personal and real estate taxes when due shall be cause to terminate said lease or agreement by the lessor." All such leases and agreements entered into on or after January 1, 1994, shall clearly state the lessee's obligations regarding the payment of both current and potential real and personal property taxes, and shall also state whether the lessee has an obligation to pay real and personal property taxes on structures or improvements added by the lessee. Failure of the lease to contain the precise language of this subparagraph shall not affect the occupant's obligation to pay property taxes.
(c) If the lessee using or occupying the property fails to pay the duly assessed personal and real estate taxes on the due date, the tax collector of the taxing district involved shall notify the lessor that the same remains unpaid. Upon receipt of said notification from the tax collector, the lessor shall terminate said lease or agreement and pay over to the tax collector from amounts received from said lease such sums as are necessary to satisfy the tax due.
(d) The exemptions provided in subparagraph (a) shall apply to the lands and the buildings and structures thereon and therein and personal property owned by the university system of New Hampshire or the community college system of New Hampshire. The requirements of subparagraph (b) shall apply to all leases and other agreements entered into or renewed on or after April 1, 2006, the terms of which provide for the use or occupation by others of real or personal property owned by the university system of New Hampshire or the community college system of New Hampshire. The remedies set forth in subparagraph (c)

shall be available to enforce the payment of real and personal property taxes assessed against the lessees of property owned by the university system of New Hampshire or the community college system of New Hampshire pursuant to this subparagraph.

II. Lands and buildings and personal property owned and used by any county for governmental purposes, including hospitals, court houses, registry buildings, and county correctional facilities except that county farms and their lands, buildings and taxable personal property shall be taxed.

III. Houses of public worship, parish houses, church parsonages occupied by their pastors, convents, monasteries, buildings and the lands appertaining to them owned, used and occupied directly for religious training or for other religious purposes by any regularly recognized and constituted denomination, creed or sect, organized, incorporated or legally doing business in this state and the personal property used by them for the purposes for which they are established.

IV. The buildings and structures of schools, seminaries of learning, colleges, academies and universities organized, incorporated or legally doing business in this state and owned, used and occupied by them directly for the purposes for which they are established, including but not limited to the dormitories, dining rooms, kitchens, auditoriums, classrooms, infirmaries, administrative and utility rooms and buildings connected therewith, athletic fields and facilities and gymnasiums, boat houses and wharves belonging to them and used in connection therewith, and the land thereto appertaining but not including lands and buildings not used and occupied directly for the purposes for which they are organized or incorporated, and the personal property used by them directly for the purposes for which they are established, provided none of the income or profits are divided among the members or stockholders or used or appropriated for any other purpose than the purpose for which they are organized or established; provided further that if the value of the dormitories, dining rooms and kitchens shall exceed $150,000, the value thereof in excess of said sum shall be taxable. A town at an annual town meeting or the governing body of a city may vote to increase the amount of the exemption upon dormitories, dining rooms and kitchens.

V. The buildings, lands and personal property of charitable organizations and societies organized, incorporated, or legally doing business in this state, owned, used and occupied by them directly for the purposes for which they are established, provided that none of the income or profits thereof is used for any other purpose than the purpose for which they are established.

V-a. The real estate and personal property owned by any organization described in paragraphs I, II, III, IV or V of this section and occupied and used by another organization described in said paragraphs, but only to the extent that such real estate and personal property would be exempt from taxation under said paragraphs if such property were owned by the organization occupying and using the property, as long as any rental fee and repairs, charged by the owner, are not in clear excess of fair rental value.

VI. Every charitable organization or society, except those religious and educational organizations and societies whose real estate is exempt under the provisions of paragraphs III and IV, shall annually before June 1 file with the municipality in which the property is located upon a form prescribed and provided by the board of tax and land appeals a statement of its financial condition for the preceding fiscal year and such other information as may be necessary to establish its status and eligibility for tax exemption.

VII. For the purposes of this section, the term "charitable" shall have the meaning set forth in RSA 72:23-*l*.

Source. 1913, 115:1. 1915, 150:1. 1921, 41:1. 1923, 70:1. PL 60:22. 1930, 4:1. 1941, 174:1. RL 73:24. 1945, 141:1. RSA 70:23. 1955, 157:1. 1957, 202:2. 1969, 113:1. 1973, 544:8. 1975, 482:1, 2. 1977, 568:8; 600:83. 1979, 182:1. 1988, 1:2; 89:11. 1991, 111:1; 306:3. 1993, 195:1. 1994, 378:1. 1999, 304:2. 2002, 190:7. 2003, 56:3. 2006, 205:2. 2011, 199:2, eff. Aug. 19, 2011; 224:361, eff. July 1, 2011. 2017, 168:1, eff. June 28, 2017. 2018, 232:1, eff. Jan. 1, 2019.

PART Cub 304 CURRENT USE ASSESSMENT OF OPEN SPACE LAND

Cub 304.01 Current Use Acreage Requirement.

(a) Open space land shall consist of:

(1) A parcel or tract of farm land, forest land, or unproductive land totaling 10 or more acres;

(2) A parcel or tract of any combination of farm land, forest land, or unproductive land, which totals 10 or more acres;

(3) A certified tree farm of any size;

(4) A tract of unimproved wetland of any size; or

(5) A tract of undeveloped land of any size, actively devoted to the growing of agricultural or horticultural crops with an annual gross income from the sale of crops normally produced thereon totaling at least $2,500, subject to the following:

a. The landowner shall demonstrate to the local municipal assessing officials that during the previous year, at least $2,500 gross income was earned from the sale of agricultural or horticultural crops grown on the land;

b. All land qualifying for current use assessment under Cub 304.01(a)(5), above, shall be required to show $2,500 of annual gross income from the sale of crops normally produced thereon;

c. Land qualified for open space assessment under Cub 304.01(a)(5), above, shall be classified as follows:

1. The acreage on which the income producing crop is actually grown shall be classified as farm land, pursuant to Cub 304; and

2. Contiguous land not involved in the income producing activity shall be classified as farm land, forest land, or unproductive land, pursuant to Cub 304, regardless of acreage; and

d. Land qualified under this section in tax years prior to 1993 may stay in current use even though the annual gross value of $2,500 came from the sale of value-added agricultural products marketed from the land, provided that such landowner(s) continue to produce such products that qualified the land for current use assessment

Source. (See Revision Note #1 and Revision Note #2 at chapter heading for Cub 300) #12857-B, eff 8-23-19

Cub 304.02 Current Use Assessment Recreational Reduction.

(a) A landowner that meets the requirements of RSA 79-A:4, II may request to receive the 20% recreational reduction for opening their land to public recreational use without entrance fee:

(1) At the time of submission of the Form A-10 “Application for Current Use Assessment”; or

(2) By completing and filing Form CU-18 "Notice of Change in Current Use Assessment" with the municipal assessing officials.

(b) A landowner granted the 20% reduction for recreation use shall not post the land to prohibit activities described under RSA 79-A:4, II unless such posting has been approved by the municipal assessing officials, and:

(1) If the landowner posts the land without the approval of the municipal assessing officials, the:

a. 20% reduction shall not be allowed for the subsequent April 1st tax year; and

b. Municipal assessing officials, or their designee, may complete Form CU-18 "Notice of Change in Current Use Assessment" and mail a copy to the landowner;

(2) Once the municipal assessing officials have removed the 20% recreational reduction, the land shall not be eligible for the recreational reduction during the subsequent 3 year period, including the tax year of disallowance; and

(3) Signage intended to warn the general public that a specific safety hazard exists on a particular parcel or tract of open space land shall not be considered a posting of land and not cause the removal of the 20% reduction for recreation use.

(c) A landowner receiving the 20% recreational reduction may request to have the recreational reduction removed by completing and filing Form CU-18 "Notice of Change in Current Use Assessment" with the municipal assessing officials.

Source. (See Revision Note #1 and Revision Note #2 at chapter heading for Cub 300) #12857-B, eff 8-23-19

Cub 304.03 Current Use Assessment of Farm Land.

(a) Farm land, pursuant to RSA 21:34-a, shall be a parcel or tract of undeveloped land, devoted to, or capable of, the production of crops including the following:

(1) Forage;

(2) Grains;

(3) Fruit;

(4) Vegetables;

(5) Herbs;

(6) Plantation Christmas trees;

(7) Nursery stock;

(8) Sod;

(9) Floral products;

(10) Pasturage;

(11) Fiber;

(12) Oilseeds; or

(13) Short rotation tree fiber farming.

Source. (See Revision Note #1 and Revision Note #2 at chapter heading for Cub 300) #12857-B, eff 8-23-19

Cub 304.04 Farm Land Assessing Factors and Use of the Soil Potential Index (SPI).

(a) A landowner may require the municipal assessing officials to use the most recent SPI in determining the assessed value of a parcel or tract of farm land by providing either:

(1) A single SPI for the entire parcel or tract of farm land; or

(2) A separate SPI for each separate parcel of farm land.

(b) When a landowner provides the SPI, the municipal assessing officials shall use the SPI to determine the assessed value of that parcel or tract of farm land as follows:

(1) The low end shall be subtracted from the high end of the farm land assessment range;

(2) The difference derived from (1) above shall be multiplied by the SPI provided by the landowner; and

(3) The dollar amount of the low end of the farm land range shall be added to the product derived from (2) above.

(c) When a landowner does not provide an SPI for the parcel or tract of farm land, the municipal assessing officials in determining the assessed value of the farm land shall consider other factors that might affect the income producing capability of the farm land such as:

(1) Elevation and steep slopes;

(2) Rocks and quality of the soil;

(3) Location and accessibility;

(4) Availability of water for irrigation; or

(5) Other physical attributes.

(d) The assessed value of farm land shall be equalized by multiplying the assessment by the municipality's most recent department of revenue administration median equalization ratio pursuant to RSA 79-A:5, I; and

(e) For the tax year in which the municipality has undergone a full revaluation or a full statistical revaluation, the assessed value of farm land shall be equalized by multiplying the assessment by 100%.

Source. (See Revision Note #1 and Revision Note #2 at chapter heading for Cub 300) #12857-B, eff 8-23-19

Cub 304.05 Current Use Assessment of Forest Land.

(a) For purposes of this section, the following definitions shall apply:

(1) "Class" as referenced in RSA 79-A:2, V, means land enrolled in current use as forest land;

(2) "Grade" as referenced in RSA 79-A:2, V, means land having a physical geography affecting timber harvesting costs by the presence or absence of the following:

a. Steep slopes;

b. The presence of boulders and rock outcrops;

c. Ravines;

d. Wetland or bodies of water; or

e. Any other physical attributes;

(3) "Location" as referenced in RSA 79-A:2, V, means characteristics affecting accessibility to the land, by the presence or absence of the following:

a. Legal restrictions to access;

b. Abutting a maintained public highway; or

c. Any other characteristics affecting accessibility;

(4) "Site quality" means the capacity of a parcel of land to produce wood, including factors that affect management, as follows:

a. The quality of the soil;

b. The climate and elevation;

c. Physical geography; or

d. Any other factors that would affect the management of the land; and

(5) "Type" as referenced in RSA 79-A:2, V, means the mix of tree species, as listed in Cub 304.06(a).

(b) Forest land shall be one of the following:

(1) A tract of undeveloped land actively devoted to, or capable of, growing trees of any age including the production or enhancement of one the following:

a. Forest products;

b. Maple sap;

c. Naturally seeded Christmas trees; or

d. Wildlife habitat; or

(2) A certified tree farm.

(c) Forest land that has been subjected to clear cutting shall still qualify as forest land under the forest class type prior to the clear cut until it can be determined by the subsequent re-growth that the forest class type has undergone a change.

(d) A landowner that has conducted clear cutting for the purposes of converting the forest land to farm land shall:

(1) Notify the municipal assessing officials in writing, or by filing a completed CU-18 "Notice of Change in Current Use Assessment" at the time the change in category is made; and

(2) Provide an updated map with the corresponding change.

(e) Forest land stand types, pursuant to Cub 304.06(a), shall:

(1) For stands sufficiently uniform in species composition, be classified at a minimum of 10 acre forest types; or

(2) Be classified by the number of acres according to forest type.

Source. (See Revision Note #1 and Revision Note #2 at chapter heading for Cub 300) #12857-B, eff 8-23-19

Cub 304.06 Forest Land Types.

(a) Forest land types shall be as follows:

(1) White pine forest stands in which white pine trees make up the majority of the stocking;

(2) Hardwood forest stands in which any combination of hardwood trees, as listed below, along with other less common hardwood species make up the majority of the stocking:

a. Red oak;

b. Sugar maple;

c. Yellow birch; and

d. White birch; or

(3) All other forest stands in which tree species not included in (1) and (2) above make up the majority of the stocking.

(b) The assessed value of forest land shall be equalized by multiplying the assessment by the municipality's most recent department of revenue administration median equalization ratio pursuant to RSA 79-A:5, I.

(c) For the tax year in which the municipality has undergone a full revaluation or a full statistical revaluation, the assessed value of forest land shall be equalized by multiplying the assessment by 100%.

Source. (See Revision Note #1 and Revision Note #2 at chapter heading for Cub 00) #12857-B, eff 8-23-19

Cub 304.07 Documented Forest Stewardship Assessment.

(a) At the time of application for current use assessment, or at any time after enrollment into current use, landowners requesting documented forest stewardship assessment shall submit the following supporting documentation:

(1) A statement of current and past forestry accomplishments, including an explanation of deviations from the objectives of the past plans;

(2) A map as defined in Cub 301.11; and

(3) One of the following:

a. A letter from the New Hampshire Tree Farm Committee confirming certified tree farm status;

b. A current certificate documenting the land's conformance with the Sustainable Forestry Initiative Standard (SFI) or Forest Stewardship Council (FSC)-US Forest Management Standard;

c. A forest stewardship plan that includes:

1. A statement of forest stewardship objectives;

2. Current forest stand type descriptions;

3. Current management prescriptions that address the following:

(i) Timber;

(ii) Fish and wildlife habitat;

(iii) Soil;

(iv) Water quality;

(v) Recreational resources;

(vi) Aesthetic values;

(vii) Cultural features;

(viii) Forest protection;

(ix) Wetlands; and

(x) Threatened and endangered species and unique natural communities;

4. A boundary maintenance schedule;

5. An access development and road maintenance plan, if applicable; and

6. The signature of:

(i) A New Hampshire licensed forester; or

(ii) A person exempted from licensure under RSA 310-A:98 II, if the person meets the qualifications for licensure in RSA 310-A:104; or

d. A completed Form CU-12 "Summary of Forest Stewardship Plan for Current Use Assessment" as described in Cub 309.06.

(b) A landowner receiving documented forest stewardship assessment shall, periodically, at intervals of 5 or more years after the initial documented stewardship assessment, provide to the municipal assessing officials upon their request an update on the information contained in Cub 304.07(a) (1) through (3) above.

Source. (See Revision Note #1 and Revision Note #2 at chapter heading for Cub 300) #12857-B, eff 8-23-19

Cub 304.08 Assessing Factors for Municipal Assessing Officials for Forest Land and Forest Land with Documented Stewardship.

(a) The municipal assessing officials shall consider the class, type, grade, site quality, and location, pursuant to the following factors when determining where within the forest land range of assessments a particular parcel of land is placed pursuant to RSA 79-A:2, V:

(1) The land shall meet the definition of "class" of forest land in Cub 304.05(a)(1);

(2) The type of forest land shall be determined pursuant to Cub 304.05(a)(5), Cub 304.05(e), and Cub 304.06(a);

(3) The assessed value shall increase as the grade has an effect to decrease the costs of timber harvesting, and the assessed value shall decrease as the grade has an effect to increase costs;

(4) The assessed value shall increase as the location has an effect to increase accessibility, and the assessed value shall decrease as the location has an effect to decrease accessibility;

(5) The assessed value shall increase as site quality has an effect to increase the ability to produce wood; and

(6) The assessed value shall decrease as site quality has an effect to decrease the ability to produce wood.

Source. (See Revision Note #1 and Revision Note #2 at chapter heading for Cub 300) #12857-B, eff 8-23-19

Cub 304.09 Current Use Assessment of Unproductive Land.

(a) Unproductive land, as defined in RSA 79-A:2, XIII, shall be one of the following:

(1) An area of a parcel or tract of unimproved land that:

a. Has no structures or betterments;

b. By its nature is incapable of producing farm or forest crops; and

c. Is being left in its natural state without interference with the natural ecological process; or

(2) An area of a parcel or tract of unimproved wetland, as defined in RSA 79-A:2, XIV, that:

a. By its nature is incapable of producing farm or forest crops; and

b. By reason of wetness is being left in its natural state.

(b) For wetland, assessing officials shall allow a buffer of up to 100 feet in depth provided that the land within the buffer is:

(1) Unimproved; and

(2) Is being left in its natural state without interference with the natural ecological processes.

(c) The assessed value of unproductive land and wetland shall be equalized by multiplying the assessment by the municipality's most recent department of revenue administration median equalization ratio pursuant to RSA 79-A:5, I.

(d) For the tax year in which the municipality has undergone a full revaluation or a full statistical revaluation, the assessed value of forest land shall be equalized by multiplying the assessment by 100%.

Source. (See Revision Note #1 and Revision Note #2 at chapter heading for Cub 300) #12857-B, eff 8-23-19

PART Cub 305 ASSESSMENT RANGES FOR CURRENT USE LAND

Cub 305.02 Current Use Assessment Ranges for Farm Land. The assessment ranges for farm land shall be $25 to $425 per acre.

Source. (See Revision Note #1 and Revision Note #2 at chapter heading for Cub 300) #12857-B, eff 8-23-19

Cub 305.03 Current Use Assessment Ranges for Forest Land Categories. The assessment ranges for forest land types without documented stewardship shall be as follows:

(a) The category of white pine shall be $118 to $176 per acre;

(b) The category of hardwood shall be $57 to $86 per acre; and

(c) The category of all other shall be $38 to $57 per acre.

Source. (See Revision Note #1 and Revision Note #2 at chapter heading for Cub 300) #12857-B, eff 8-23-19

Cub 305.04 Current Use Assessment Ranges for Forest Land Categories with Documented Forest Stewardship. The assessment ranges for forest land types with documented stewardship shall be as follows:

(a) The category of white pine shall be $71 to $106 per acre;

(b) The category of hardwood shall be $34 to $52 per acre; and

(c) The category of all other shall be $23 to $34 per acre.

Source. (See Revision Note #1 and Revision Note #2 at chapter heading for Cub 300) #12857-B, eff 8-23-19

Cub 305.05 Current Use Assessment Range for Unproductive Land. The assessment for unproductive land shall be $23 per acre.

Source. (See Revision Note #1 and Revision Note #2 at chapter heading for Cub 300) #12857-B, eff 8-23-19

Cub 305.06 Current Use Assessment Range for Wetland. The assessment for wetland shall be $23 per acre.

Source. (See Revision Note #1 and Revision Note #2 at chapter heading for Cub 300) #12857-B, eff 8-23-19

Town of Marlow

Docket No.: 18478-01RA

ORDER

The board held a hearing on June 7, 2001, pursuant to a show cause order, in order to receive evidence from the "Town" regarding its assessment practices pertaining to current use ("CU") in the forest land classification. Attending and testifying at the hearing were the Town selectmen, Joseph N. Feuer, John A. Russell and Charles B. Strickland, and the Town counsel, Genienne A. Hockensmith, Esq. Also in attendance, as observers, were Robert Camp and Joanne Tramontozzi from the department of revenue administration ("DRA").

The Town's representatives characterized its CU assessment practices as a "good faith" effort to comply with relevant statutes and regulations using a "fair and objective" method. The Town also described these practices in some detail. The Town reviews each new CU application. If the taxpayer's property has enough qualifying acres, the Town determines the "class" of CU land (farmland, forest land or unproductive) for the property. If forest land, then the "type" (white pine, hardwood and all other) is determined based upon the information submitted by the taxpayer.

The Town indicated it uniformly utilizes the upper limit of the assessment ranges for

each of the forest land categories. In other words, the Town assigns the highest value in each range, without considering site quality, location or grade characteristics that may distinguish each property in CU. The Town defended this process of uniformly assigning the highest values to each CU property in the forest land category because the Town believes to do otherwise would involve too much 'subjectivity' and excessive 'time and expense' on the part of the selectmen/assessors.

The Town's representatives indicated only two individuals have ever challenged this practice of assigning the highest value to each CU property. The Town argued that approximately 70% of the land area in the Town is in CU and the forest land is generally of high quality and is fairly homogeneous. The Town also stated its belief, which it apparently confirmed with DRA representatives, that 'many' towns follow a similar process in using the highest value in the range, rather than attempting to apply the entire range of values to the CU assessment process.

The Town requested that, if its approach is found to be invalid, the board provide some guidance regarding a practical way of administering the CU statutes and rules relative to forest land. The board's ruling and reasoning, as well as suggestions for the Town, are presented below.

Board's Rulings

The board rules the Town's uniform practice of using the high end value of the CU forest land assessment ranges, without making any distinctions or adjustments for the physical characteristics of the land, is not in accordance with applicable law and must be corrected. The

board orders the Town, beginning with tax year 2002, to reassess all CU forest land to comply with the applicable statute and the rules adopted by the Current Use Board ("CUB"). The Town shall notify the board in writing every six months, commencing September 1, 2001, as to the progress it has made in carrying out this ordered reassessment of CU forest land.

In the remainder of this Order, the board will review the constitutional, statutory and regulatory provisions that should guide the Town. Then, because requested to do so by the Town, the board will provide some practical suggestions for achieving the required outcome in a reasonable amount of 'time and expense,' while at the same time furthering the Town's stated goals of objectivity and fairness.

Constitutional and Statutory Requirements

The Constitution and several tax statutes embody two distinct bases for assessing property taxes in New Hampshire: assessments proportional to market value; and assessments proportional to CU value. The first basis is governed by Pt. 2, Art. 5 of the Constitution (permitting general court to "impose and levy proportional and reasonable assessments, rates, and taxes, upon all the inhabitants of, and the residents within, said state; and upon all estates . . ..") and the second basis by a more specific provision added in 1968, Pt. 2, Art. 5-B (permitting general court to "provide for the assessment of any class of real estate at valuations based upon the current use thereof").

The first basis is reflected by statutes contained in RSA Chapter 75. Specifically, RSA 75:1 requires assessments on real estate to be proportional to market value ("full and true value in money as they would appraise the same in payment of a just debt"). Under this ad valorem

requirement, proportionality is a product of the market value of taxable real estate," and the municipality's level of assessment, and the cases have so held. In addition, "our constitution mandates that all taxpayers in a town be assessed at the same proportion of [market value]." Public Service Co. of New Hampshire v. Town of Seabrook, 133 N.H. 365, 377 (1998); Appeal of City of Nashua, 138 N.H. 261, 265 (1994); Appeal of Andrews, 136 N.H. 61, 64 (1992); Amoskeag Manufacturing Co. v. Manchester, 70 N.H. 200, 204 (1899).

In contrast to this ad valorem approach, Pt. 2, Art. 5-B of the New Hampshire Constitution authorizes a second basis for property taxation based upon "current use" rather than market value. This provision enabled the general court to enact RSA Chapter 79-A in 1973 to provide for the assessment "of open space land based upon the income-producing capability of the land in its current use, and not its real estate market value." See RSA 79-A:2, V. One clearly-stated purpose for this form of taxation is to help maintain and preserve "open space . . . the land, water, forest, agricultural and wildlife resources" of the state and to protect them from excessive development pressures due to higher tax assessments. See RSA 79-A:1.

For property qualifying for "current use" taxation, proportionality is achieved, not by market value determinations, but by adhering to the statute and CUB regulations, which prescribe both a range of values and the criteria which must be used to assign values for specific property within each range. RSA 79-A:3 and 79-A:4 create the CUB and authorize it to establish CU values and criteria on an annual basis. RSA 79-A:5, I, requires the selectmen to appraise open space land "at valuations based upon the current use values established by the [current use] board." RSA 79-A:2, V, requires that "[t]his valuation shall be determined by the

assessor in accordance with the range of current use values established by the board in and accordance with the class, type, grade and location of land."

CUB Requirements

With this constitutional and statutory background, the specific regulations governing CU assessments in the forest land category can be examined in more detail. Regulations promulgated by an administrative agency, such as the CUB, have the force of law and are "binding on the town" unless and until challenged by any town subject to those regulations. Blue Mountain Forest Assn. v. Town of Croydon, 119 N.H. 202, 204-05 (1979). As a result, the board will quote the relevant CUB regulations pertaining to "forest land" at some length:

Cub 304.03 FOREST LAND.

(a) For purposes of this section, the following definitions shall apply:

(1) "Class", as referenced in RSA 79-A:2, V, means land enrolled in current use as forest land;

(2) "Grade", as referenced in RSA 79-A:2, V, means land having a physical geography affecting timber harvesting costs by the presence or absence of the following:

a. Steep slopes;
b. The presence of boulders and rock outcrops;
c. Ravines;
d. Wetland or bodies of water; and
e. Any other physical qualifications;

(3) "Location", as referenced in RSA 79-A:2, V, means characteristics affecting accessibility to the land, by the presence or absence of the following:

a. Legal restrictions to access;
b. Abutting a maintained public highway; or
c. Any other characteristics affecting accessibility;

> (4) "Site quality", means the capacity of a parcel of land to produce wood, including factors that affect management, as follows:
>
> a. The quality of the soil;
> b. The climate and elevation;
> c. Physical geography; and
> d. Any other factors that would affect the management of the land;
>
> (5) "Type", as referenced in RSA 79-A:2, V, means the mix of tree species, as listed in Cub 304.03(e).

Cub 304.03 (k) further provides: "the local assessors shall consider the class, type, grade and location when determining where within the forest land range of assessments a particular parcel of land is placed." In other words, the regulations place the responsibility for considering these criteria squarely on the local assessors.[1]

---

[1] Section 304.04(l) and (m) then provide:

"(l) If a land owners wishes to challenge where, within the forest land assessment ranges, a parcel of forest land has been placed, either of the 2 following methods shall be used:

(1) The land owner shall provide site quality, location and grade information to the local assessors to support an appeal of the assessment, indicating that:

a. The grade, as defined in Cub 304.03 (a), (2), of the land has a positive or negative effect upon the accessibility of the land; or

b. The location, as defined in Cub 304.03 (a), (3), of the land has a positive or negative effect upon the accessibility of the land; or

(2) In lieu of (1), above, the land owner shall engage a forester to determine the site quality, location and grade of the land.

(m) When a land owner provides the information listed in (1), above, for a parcel of forest land, the local assessing officials shall consider that information to determine the placement of that land within the forest land assessment ranges."

It is eminently clear from the detail contained within the statutes and rules that for the constitutional requirement of proportionality to be met in the assessment of CU forest land, the selectmen must, as part of their assessing responsibilities, consider any affect of "type" (tree species), "grade" (physical geography), "location" (accessibility) and "site quality" (soil, climate, etc.) in determining the proper assessment. Cub 304.03 (l) clearly places this responsibility initially with the assessors to determine, as best they can, how each qualifying piece of land should be assessed within the CU assessment ranges.

To do otherwise, as the Town acknowledges it has done with respect to all forest land with its uniform 'highest value' policy, is a violation of the above statutes and CUB rules. The rules, of course, were promulgated to carry out the intent of the statute and are not extraneous to proper assessment practice at the town level. See Blue Mountain, supra, 119 N.H. at 204-05; accord, Foster v. Henniker, 132 N.H. 75, 82 (1989) (CUB "regulatory criteria did not modify the statute, but served to effectuate its purpose.")

Insofar as CU forest land is concerned, the Town's present uniform practice of imposing the highest assessment on each property, even if arguably easier to administer, may result, to the extent it disregards key forest land characteristics specified in the regulations, in a "systemic pattern of disproportionate taxation." Cf. Sirrell v. State of New Hampshire, No. 2001-003 (May 3, 2001), __N.H.__, http//www.state.nh.us/courts/supreme/opinions /0105/sirre087.htm.

Notwithstanding these considerations, the board is also cognizant that the valuation differences between the low and high end of the forest land ranges are small relative to the overall magnitude of assessments the selectmen are required to undertake. Nonetheless,

approval of the Town's current practice would require the board to ignore the explicit requirements of the CUB regulations and the other authorities cited above. Consequently, the Town is ordered to change its assessment practices with respect to forest land in CU to consider and apply the criteria set forth above.

Suggestions for CU Forest Land Assessments

During the hearing, the Town requested that if the board were to require the Town to reassess its CU properties, some guidance be provided as to a practical, cost efficient way to do so. While the board is reluctant to mandate one specific approach over all others, because the Town can and should have discretion in how it complies with the law, the board is willing to propose what may be a useful approach for the Town's consideration. This approach attempts to satisfy the need to obtain factual information from taxpayers as to each CU property's grade, location and site quality in a manner that it is not overly burdensome to either the taxpayers or the Town selectmen/assessors.

When CUB 304.03 (a), (k) and (l) are considered together, it is clear CU assessments for forest land should reflect three key characteristics (grade, location and site quality) affecting the economic productivity of forest land, as well as its "type" and whether there is evidence of "documented stewardship." For example, to the extent slopes or ravines, accessibility to a public highway and soil quality, climate and elevation affect the ability to manage forest land for productive uses, these factors should be considered in determining where within the value range the selectmen should place the forest land in CU assessment.

The board suggests one practical method is to utilize a matrix to gather information from taxpayers with CU forest land. The board is aware of at least one other municipality that employs a matrix approach to obtain information for CU assessments. Appendix A is an example of how a matrix could be used by the Town to obtain better information about the forest land it is obligated to assess within the value ranges, using the criteria specified in the CUB regulations. The Town may also consider requesting from each taxpayer with land in CU further information in the form of a county soil map and/or topographical map depicting the property. Scaling the land characteristics (good, average and poor) as 2, 1 and 0, with respect to each criterion, provides a relatively simple arithmetic basis for determining assessments within the CUB ranges, instead of always using the highest value.[2]

This approach solicits voluntary information initially from taxpayers. If the selectmen receive inadequate or faulty responses, or if the taxpayer fails to respond in a timely fashion, then the selectmen can take whatever additional steps may be necessary to obtain adequate

---

[2] For example, if the forest land type is "white pine" without "documented stewardship" (CUB range: $112 to $170 per acre in 2001) and the grade, location and site quality indications are average, poor and good, respectively, the calculated scale would be 1 for grade, 0 for location, and 2 for site quality, for a total of 3 out of a maximum possible of 6, or 50%. 50% of the difference ($58) between $112 and $170 is $29 which, when added to the base of $112, arrives at an assessment of $141 per acre [.50 x (170-112) + 112 = 141] for forest land with these

information or, on their own, determine or adjust where within the assessment range to place the forest land using other acceptable methods and information sources. Lack of response from a taxpayer does not relieve the selectmen of their initial obligation to assess the property as best

they can based on available public information. See Appeal of Gillin, 132 N.H. 311 (1989) (lack of cooperation on the part of a taxpayer should not be seen as a basis for punitive assessment).

---

specific attributes.

Finally, the board has noted the testimony of the selectmen and representatives of the DRA which asserts the Town's CU assessing practices are similar to practices in certain other municipalities. If so, the board suggests the DRA, under the general supervisory authority contained in RSA 21-J:3, V,[3] ensure proper compliance with this aspect of CU assessment throughout the state. Further, the CUB may wish to consider whether more detailed rules might be appropriate to regulate these aspects of the assessment process.

SO ORDERED.

BOARD OF TAX AND LAND APPEALS

_____
Paul B. Franklin, Chairman

_____
Michele E. LeBrun, Member

_____
Douglas S. Ricard, Member

[3] This statute provides: "[T]he commissioner of the department of revenue administration, . . . shall . . . V. [e]xercise general supervision over the administration of the assessment and taxation laws of the state and over all assessing officers in the performance of their duties, except the board of tax and land appeals, to the end that all assessments of property be made in compliance with the laws of the state."

Albert F. Shamash, Esq., Member

Certification

I hereby certify that copies of the within Order have this date been mailed, postage prepaid, to: David and Linda Kinson, Taxpayers; Genienne A. Hockensmith, Esq., counsel for the Town; Chairman, Selectmen of Marlow; and Guy Petell, Director, Property Appraisal Division, Department of Revenue Administration.

Date: July 30, 2001

Lisa M. Moquin, Clerk

0006

APPENDIX A

Marlow Decision- Reference: Docket No. 18478-01RA
Property Owner _____
Address _____

Town records indicate you have the following parcels that are partially or fully assessed in FOREST LAND current use category. To assist the selectmen in determining where in the current use forest land assessment range each particular parcel should be assessed, please circle your best estimate of the "grade", "location", and "site quality" for each parcel in the grid below. Also, please attach a photocopy of a topographical map and/or soils map with the outline of your parcel(s) indicated on the maps.

Factors affecting "grade", "location", and "site quality" are specified in current use rule CUB 304.03 as follows:

Grade:	Location:	Site Quality:
(a) Steep slopes; (b) The presence of boulders and rock outcrops; (c) Ravines; (d) Wetland or bodies of water; and (e) Any other physical qualifications	(a) Legal restrictions to access; (b) Abutting a maintained public highway, or (c) Any other factor affecting accessibility	(a) The quality of the soil; (b) The climate and elevation; (c) Physical geography; and (d) Any other factors that would affect the management of the land

EXAMPLE

Parcel Location & Number of Acres	**Characteristics of Land**			
	Grade **Location** **Site Quality**	**Good** **Good** **Good**	**Average** **Average** **Average**	**Poor** **Poor** **Poor**
	Grade **Location** **Site Quality**	**Good** **Good** **Good**	**Average** **Average** **Average**	**Poor** **Poor** **Poor**
	Grade **Location** **Site Quality**	**Good** **Good** **Good**	**Average** **Average** **Average**	**Poor** **Poor** **Poor**
	Grade **Location** **Site Quality**	**Good** **Good** **Good**	**Average** **Average** **Average**	**Poor** **Poor** **Poor**

Property Owner's Signature _____ Date _____

Town of Stoddard

Docket No.: 18362-00RA

ORDER

As part of the requirement for periodic updates of progress on the board-ordered reassessment for tax year 2003, the selectmen submitted a letter dated July 29, 2002. The letter stated that the "Town's" assessing contractor, Earls Nieder Perkins, LLC, in a meeting with the selectmen and Mr. James Gibney of the Department of Revenue Administration ("DRA"), "determined that above-ground pools, prefab screen houses, driveway paving, and docks will not be assessed."

The board finds such a blanket determination is contrary to several statutes and case law relative to what property is taxable in New Hampshire. (See also paragraph 2.1.1 of the Town's contract with Earls Nieder Perkins, LLC.) Specifically, RSA 72:6 provides "[a]ll real estate, whether improved or unimproved, shall be taxed except as otherwise provided." Further, in part RSA 72:7 states: "[b]uildings, mills, wharves, . . . are taxable as real estate." (Emphasis added.)

Driveway paving is certainly an improvement to land and should be assessed if it has a contributory value to the property. Docks are also improvements to real estate and are synonymous to wharves as mentioned in RSA 72:7 as being taxable. Docks are permitted and regulated by the Department of Environmental Services and, at times, add significant value to the adjoining waterfront real estate. Above-ground pools and prefab screen houses can, at times, be either personal property or taxable real estate as fixtures. Such determinations are made on a case-by-case basis and are dependent on a number of factors, i.e., the nature and use of the items, the fashion in which they may be specially adapted to the real estate and vice versa (the interrelationship or intertwining of the item and the underlying real estate) and the intent of the property's owner. See Crown Paper Co. v. City of Berlin, 142 N.H. 563 (1997) and N.E.

Tel. & Tel. Co. v. City of Franklin, 141 N.H. 449 (1996). Also see attached board decision in James Falconer and Doris Falconer v. Town of Kensington, Docket No.: 4480-88PT.

The board's intent is not to waste the Town's and its contractor's time during its reassessment by measuring and listing improvements that are of de minimis value. However, the board's concern is that a blanket policy, such as that reflected in the July 29, 2002 update letter, could result in some value-contributing taxable real estate not being assessed, leading to further inequities. Consequently, the Town and its assessing contractor shall measure, list and value all improvements that are determined to be taxable real estate and are of more than nominal value.

SO ORDERED.

BOARD OF TAX AND LAND APPEALS

_____
Paul B. Franklin, Chairman

_____
Michele E. LeBrun, Member

Albert F. Shamash, Esq., Member

Certification

I hereby certify that a copy of the foregoing order has been mailed this date, postage prepaid, to: Chairman, Board of Selectmen, Town of Stoddard; Mark Bennett, Esq., counsel for the DRA; and Guy Petell, Director of Property Appraisal, DRA.

Date: August 19, 2002

_____
Anne M. Bourque, Deputy Clerk