

1 Assessing Standards Board  
2 Subcommittee to Review Assessment Review Standards

3  
4 **Draft**

5 **DATE:** April 10, 2023

**TIME:** 1:05 p.m.

6 **LOCATION:** NH Department of Revenue – Training Room, 109 Pleasant Street, Concord

7 **SUBCOMMITTEE MEMBERS**

8 (E) Excused

9  
10 Robert Edwards, Chair

Betsey Patten

11 Loren Martin

Sam Greene

12 Joe Lessard

Bob Gagne

13  
14 **MEMBERS of the PUBLIC**

15 No public in attendance.

16  
17 Mr. Edwards convened the meeting at 1:30 p.m.

18  
19 This meeting is being held to review the various comments and suggested edits received on the  
20 recommended standards presented to the full Board on March 31, 2023.

21  
22 **Paragraph III.**

23  
24 There was a suggestion to change the “six” assessment areas to five. After some discussion, the change  
25 was accepted to present as a recommendation.

26  
27 There were a couple of additional changes DRA brought forth for clarification.

- 28
- The first was to add to RSA 21-J:14-b in paragraph III., which is the reference to USPAP.
  - The second was to identify each of the standards in 1., 2. and 3., as shown below.
- 29

30  
31 III. These standards address the **five** assessment areas that the Commissioner may consider, which are  
32 specifically identified in RSA 21-J:11-a **and RSA 21-J:14-b**, in regard to whether the:

33  
34 A. Level of assessments and uniformity of assessments are within acceptable ranges as established  
35 by the ASB by considering, where appropriate, an assessment-to-sales ratio study conducted by  
36 the DRA for the municipality.

- 37
1. **Level of Assessments.** The DRA shall determine if the median ratio falls between 0.90 and  
38 1.10, inclusive, with a 90% confidence interval in the year of the review.
  2. **Uniformity of Assessments.** The DRA shall determine if the overall coefficient of  
39 dispersion (COD) for the municipality’s median ratio is not greater than 20.0 without the  
40 use of a confidence interval.
- 41  
42  
43

- 44  
45 3. **Proportionality of Assessments.** The DRA shall determine that assessments of various  
46 types of properties are reasonably proportional to other types of properties within the  
47 municipality by:  
48

49 A brief discussion about Standard B.1.b. relating to documents being returned to the applicant followed.  
50 It had been mentioned previously that some assessors shred or destroy copies of documents rather than  
51 return to the applicant. The statute is clear that confidential documents provided under RSA 72:34 I. and  
52 II., shall be returned. The language suggested in b., below, was agreed to.  
53

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

- 55  
56 1. The DRA shall determine that all records of the municipality's assessing offices are  
57 maintained in accordance with applicable statutes and administrative rules by ensuring that:  
58  
59 a. **All [P]public records, including but not limited to, property record cards, tax maps, data**  
60 **collection manuals, sales analysis pertaining to assessment values, USPAP report,**  
61 **property inventory warrants, and inventory forms, if applicable, are made available to the**  
62 **public ~~[upon request]~~ in accordance with RSA 91-A; and**  
63  
64 b. **All confidential records, including but not limited to, all documents submitted in the**  
65 **furtherance of applications for a tax credit or exemption, or a worksheet used to**  
66 **summarize such documents are kept in a non-public file and that those documents**  
67 **or copies of documents provided under RSA 72:34 I. and II., are returned to the**  
68 **applicant after the final disposition of the application.**  
69

70 There was a review of the suggested edits below. No changes were made.

- 71  
72 4. The DRA shall determine that 85% of the current use property records in the sample  
73 reviewed have:  
74  
75 b. If applicable, a timely filed **forest stewardship plan or** Form CU-12, Summary of Forest  
76 Stewardship Plan for Current Use Assessment, **or forest stewardship plan,** in  
77 accordance with **[RSA 79-A:5 and]** Cub 304.07;  
78  
79 d. A procedure to determine, prior to July 1 of each year, if previously classified land has  
80 undergone a change in use for purposes of assessing the Land Use Change Tax in  
81 accordance with RSA 79-A:7 **and Cub 308,** and documentation on which the tax was  
82 based.  
83  
84 5. The DRA shall determine that, in accordance with RSA 21-J:11, all appraisal service  
85 contracts or agreements in effect during the assessment review year for tax assessment  
86 purposes **[are]:**  
87  
88 a. **Are [S]**submitted to the DRA, prior to work commencing, as notification that appraisal  
89 work shall be done in the municipality;  
90  
91 b. Include the **names and levels of certification of all personnel** to be employed under the  
92 contract or agreement; and,

93 c. Include [P]proof of indemnification or insurance.

94  
95 C. ~~[The DRA shall determine that e]~~Exemption and tax credit procedures substantially comply  
96 with applicable statutes and rules by testing to see that:

97  
98 D. ~~[The DRA shall determine that a]~~Assessments are based on reasonably accurate data:  
99

100 There was a brief discussion about Standard III.D.2. and whether it should be noted this was advisory  
101 only or if it should be stated. Mr. Greene explained that the municipalities are notified this is advisory  
102 information only. No change was made.  
103

- 104 2. The level of accuracy of the data elements will be determined by the DRA by comparing the  
105 information regularly collected on a sample of property record cards with the actual property.  
106 **The DRA will report the number of parcels sampled that have three or more data**  
107 **element errors.** Prior to commencement of the review process, the DRA will meet with the  
108 municipality's assessing officials to obtain an understanding of the municipality's data  
109 collection techniques used to determine value and the data elements regularly collected by  
110 the municipality that are included on the municipality's property record cards.  
111

112 The following change was made, similar to C. and D., above, to flow with paragraph III.  
113

114 E. ~~[For all]~~ **R[r]evaluations** including full revaluations, partial revaluations, cyclical revaluations  
115 and statistical updates conducted by either an independent contractor or an in-house assessor, a  
116 report based on the most recent edition of the Uniform Standards of Professional Appraisal  
117 Practice (USPAP) shall be produced within 30 days of the submission of the DRA MS-1 report:  
118

- 119 2. The DRA shall review these reports **for timeliness** and compliance with the most recent  
120 edition of the USPAP and incorporate its findings in the assessment review process.  
121

122 Mr. Michaud inquired why the ASB would not consider changing the 30-day USPAP filing requirement  
123 due to the large percentage of municipalities not meeting the requirement. He added that the market is  
124 showing that the 30-days is too aggressive and, using the thought process for reducing the percentage on  
125 materials errors because almost all municipalities meet the standard, wouldn't the same idea make sense  
126 on a standard that a majority of municipalities do not meet?  
127

128 Ms. Martin stated the first standard for filing a USPAP report was January 1, and the results were not all  
129 that different. She believes that when a taxpayer receives a tax bill, information should be available for  
130 them to review. It was stated by several members they do not believe that increasing the time to file will  
131 significantly change the result.  
132

133 Mr. Gagne added that there is a process to request and receive an extension, which Mr. Greene stated are  
134 rarely, if ever, not approved. The question was raised whether an extension will still meet the 30-day  
135 requirement for this standard, or not. Mr. Greene suggested even with the extension, not all reports are  
136 received by the extension date.  
137

138 Mr. Greene suggested that if a USPAP manual is not available to a taxpayer, they may not know  
139 whether to file an appeal or not. On the other hand, how many taxpayers actually look at the report? He  
140 added that assessment review is a review of a municipality's assessing practices and not having a  
141 USPAP report reflects on the municipality not the assessor. And, many contracts have a penalty for late

142 filing of the report and others hold payment back until everything is received however most  
143 municipalities will not pursue the penalty amount due.

144  
145 Mr. Edwards asked what the committee would like to do, keep the 30-day requirement or change it. Ms.  
146 Martin did not offer an opinion; all other members felt the 30-day requirement should not be changed.  
147 Mr. Greene did say that there has been some improvement and feels that with better preparation and  
148 more time, it will continue to improve. Ms. Martin added now that all municipalities have been through  
149 the process with the requirement in place, she feels it will improve as well.

150  
151 Ms. Martin had mentioned that she will be posting a draft report and Mr. Michaud suggested that many  
152 municipalities will not release a draft USPAP report until the DRA has reviewed it and that it could be  
153 many, many months or even a year for that to happen.

154  
155 Mr. Lessard *motioned to recommend the changes as presented to the full Board*; Mr. Gagne *seconded*  
156 *the motion*. Mr. Edwards called the motion. All approved. *Motion passed unanimously*.

157  
158 Mr. Gagne *motioned to adjourn*; Mr. Greene *seconded the motion*.

159  
160 Mr. Edwards adjourned the meeting at 2:10 p.m.

161  
162  
163 Respectfully submitted,

164  
165 Stephanie Martel, ASB Clerk  
166 Municipal and Property Division  
167 NH Department of Revenue Administration

168 All meetings are recorded and available upon request.

169 Documentation relative to the Assessing Standards Board may be submitted, requested or reviewed  
170 by:

171 Telephone: (603) 230-5096

172 Facsimile: (603) 230-5947

173 Web: [www.revenue.nh.gov](http://www.revenue.nh.gov)

174 E-mail: [asb@dra.nh.gov](mailto:asb@dra.nh.gov)

In person at:

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In writing to:

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Assessing Standards Board

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