

New Hampshire Department of Revenue Administration

Fiscal Note Quick Guide

17-0321

HB 357-FN-LOCAL, *relative to the appraisal of telecommunications poles and conduits under local property taxation.*

House Ways & Means

The proposed bill would eliminate the requirement for the Department of Revenue to annually hold a public forum and determine a schedule of values of poles and conduits owned by telephone utilities based on a statutory formula. The elimination of this duty may decrease state expenditure by a small but indeterminable amount.

Accordingly, municipalities would not have the schedule of value to determine the tax burden of poles and conduits owned by telephone utilities. The imposition of a different local valuation formula for valuing poles and conduits owned by telephone utilities could result in a different value and as a result, a different property tax assessment. However, were a different valuation to result, it would simply shift the burden of tax among local taxpayers, without affecting the total amount of revenue received from the local property tax. Municipalities would need to independently assess the value of each pole/conduit in order to determine the market value of the property. The cost of developing and maintaining this information is not known.

Section 3 of the proposed bill repeals the inventories required to be provided to municipalities by the owners of Telecommunications Poles and Conduits. This inventory allows municipalities to capture more detailed information about telecommunications property than would be otherwise available to municipal assessors. Municipalities would need to utilize other methods to collect and maintain detailed information on each pole/conduit in order to determine the market value of the property. The cost of compiling and maintaining this information is not known.

If the proposed legislation is enacted, extensive and costly litigation between municipalities and taxpayers would likely resume. The Assessing Standards Board noted that at one point during the summer of 2015, there were approximately 550 abatement appeal cases pending in the Superior Courts around the state.