

New Hampshire Department of Revenue Administration

Fiscal Note Quick Guide

25-0280

HB 234, *relative to the statewide education property tax and excess revenue from games of chance.*

The DRA did not produce the fiscal note for HB 234. The quick guide below is based on the fiscal note produced last year for HB 1517 LSR 24-2064.0, which is nearly identical to HB 234.

Ways and Means

Reducing the amount of statewide education property tax (SWEPT) required to be raised in each fiscal year by any amount of revenue from Lottery games of chance that exceeds \$6,600,000.

This proposed legislation amends the statewide education property tax (SWEPT) amount of \$363 million (the target revenue amount from which the DRA is to calculate the education tax rate), to \$363 million less the revenue from games of chance in excess of \$6.6 million transferred into the education trust fund (ETF) under RSA 287-D:20. The proposed legislation states that \$6.6 million is the estimated amount of revenue from games of chance that was transferred to the ETF for FY2024.

The DRA assumes that the net transfer from games of chance revenues to the ETF exceeds \$6.6 million in each fiscal year and that the calculation in RSA 76:3-a would be done on a fiscal year basis.

The proposed legislation does not clearly stipulate the date range of the payments deposited to the ETF under RSA 287-D:20 to be considered for each year's SWEPT rate calculation.

The proposed legislation does not specify how the DRA should determine the amount of deposit under RSA 287-D:20 for DRA to include in the SWEPT rate calculation (for example is the amount based on the Annual Comprehensive Financial Report, the June Monthly Revenue Focus – Cash Basis, June Monthly Revenue Focus – Preliminary Accrual, certification from the State Treasurer, etc.).

This proposed legislation shall take effect July 1, 2025, and would impact property taxes assessed on April 1, 2026.

DRA assumes that the \$6.6 million amount is a fixed threshold amount for the SWEPT rate calculation of future years and that that amount would only be changed by future legislation.

The proposed legislation would not result in any additional administrative costs that could not be absorbed in the DRA operating budget.