

**New Hampshire Department of Revenue Administration
45 Chenell Drive, Concord, NH 03301**

**TECHNICAL INFORMATION RELEASE
TIR 2004-004 August 18, 2004**

A Technical Information Release is designed to provide information of changes in laws administered by the Department and for the policy positions of the Department as a service to citizens and municipal officials. A Technical Information Release represents the position of the Department on the limited issues discussed herein based on current law and Department interpretation. For the current status of any tax law, citizens and municipal officials should consult the source documents (i.e., Revised Statutes Annotated, Rules, Case Law, Session Laws, etc.). Questions specific to this Technical Information Release should be directed to the Assessments Bureau, at (603) 271-2687.

The purpose of this technical information release is to advise municipal officials and citizens of the effect of House Bill 426, Chapter 203, Laws of 2004.

Chapter 203 amends RSA chapter 75 by adding a new section, RSA 75:8-b, regarding annual appraisals. However, this new section only applies to municipalities with a population over 10,000.

In a municipality with a population over 10,000, a governing body vote is necessary to authorize annual adjustments of property values to market value. Prior to such vote, the governing body is required to hold two public hearings regarding the annual appraisal process at least 15 days, but not more than 60 days before the authorization vote. These two public hearings may be incorporated with any other public hearing.

If the governing body authorizes an annual adjustment to market value, then the municipality is required to provide notification of changes to the assessed valuation prior to issuance of the final tax bill. Notification may be made 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.

In the absence of governing body authorization, appraisals shall not be annually adjusted to market value, in those municipalities with a population greater than 10,000. However, the annual adjustment of values to ensure reasonable proportionality among properties is still required under RSA 75:8, and is not superseded by RSA 75:8-b. No public hearings or governing body vote is required when adjustments are made to maintain assessments at a level other than market value. Further, governing body approval is not required when complying with the provision of RSA 75:8-a regarding the five-year market level valuation for assessment review purposes.

Since Chapter 203 became effective June 11, 2004, it will not be applicable to the tax year beginning April 1, 2004, but rather will be effective for the tax year beginning April 1, 2005.