

Bill as
Introduced

HB 655-FN - AS INTRODUCED

2013 SESSION

13-0199

10/03

HOUSE BILL **655-FN**

AN ACT relative to the collection of the amount of the property tax deferral for the elderly or disabled upon sale of the property.

SPONSORS: Rep. Daniels, Hills 40

COMMITTEE: Municipal and County Government

ANALYSIS

This bill requires that the amount of the tax deferral and accrued interest be paid to the municipality granting the deferral upon the sale of the property to a purchaser.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears [~~in brackets and struckthrough.~~]
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Thirteen

AN ACT relative to the collection of the amount of the property tax deferral for the elderly or disabled upon sale of the property.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Paragraph; Property Taxation; Tax Deferral For Elderly and Disabled. Amend.
2 RSA 72:38-a by inserting after paragraph IV the following new paragraph:

3 IV-a. When the owner of a property subject to a tax deferral sells or otherwise conveys the
4 property to a purchaser, the owner or purchaser shall pay in full the deferred taxes plus any interest
5 due and the municipality shall provide recorded written release or satisfaction of the notice of tax
6 deferral. If the owner or purchaser, who shall be deemed to have notice of and shall take title to the
7 property subject to the notice of tax deferral, does not pay the accrued amount on the property within
8 9 months of the date of sale or conveyance of the property, the municipality may commit the accrued
9 amount of the deferral to the collector of taxes with a warrant signed by the assessing officials
10 requiring him or her to collect it; and the collector of taxes shall have the same rights and remedies
11 in relation thereto as provided in RSA 76:13 and RSA 80. Prior to holding a tax sale or executing a
12 priority tax lien under RSA 80:59, the collector shall, at least 30 days prior to such tax sale or tax
13 lien execution, send notice by certified or registered mail, to the last known post office address of the
14 current owner, if known, or to the last known address of the taxpayer who received the deferral, and
15 to all mortgagees from whom permission has been sought pursuant to paragraph III of this section.
16 Any person with a legal interest in the property may redeem it, either prior to the tax sale or tax lien
17 execution, or subsequently as set forth in RSA 80:32 or RSA 80:69.

18 2 Effective Date. This act shall take effect January 1, 2014.

LBAO
13-0199
01/29/13

HB 655-FN - FISCAL NOTE

AN ACT relative to the collection of the amount of the property tax deferral for the elderly
or disabled upon sale of the property.

FISCAL IMPACT:

The Office of Legislative Budget Assistant is unable to complete a fiscal note for this bill, as introduced, as it is awaiting information from the New Hampshire Municipal Association. When completed, the fiscal note will be forwarded to the House Clerk's Office.

HB 655 FISCAL NOTE

AN ACT relative to the collection of the amount of the property tax deferral for the elderly or disabled upon sale of the property.

FISCAL IMPACT:

The New Hampshire Municipal Association states this bill, **as introduced**, may increase local revenue by an indeterminable amount in FY 2014 and each year thereafter. There will be no fiscal impact on state or county revenue, or state, county, and local expenditures.

METHODOLOGY:

The New Hampshire Municipal Association (NHMA) states this bill requires deferred taxes for elderly and disabled property owners and accrued interest to be collected upon the property's sale or other conveyance. The NHMA states current law requires payment of deferred taxes when the owner dies, but does not require payment when the property is sold or otherwise conveyed by the owner. The NHMA states county and local revenue may be increased because this bill now provides for payment of deferred taxes when the property is transferred to another party, not just when the owner dies. However, NHMA is unable to determine the amount of increased revenue.

HB 655-FN - AS AMENDED BY THE HOUSE

13Mar2013... 0488h

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HOUSE BILL **655-FN**

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COMMITTEE: Municipal and County Government

ANALYSIS

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1 1 New Paragraph; Property Taxation; Tax Deferral For Elderly and Disabled. Amend
2 RSA 72:38-a by inserting after paragraph IV the following new paragraph:

3 IV-a. When the owner of a property subject to a tax deferral sells or otherwise conveys the
4 property, the owner or grantee shall pay in full the deferred taxes plus any interest due and the
5 municipality shall provide recorded written release or satisfaction of the notice of tax deferral. If the
6 owner or grantee, who shall be deemed to have notice of and shall take title to the property subject
7 to the notice of tax deferral, does not pay the accrued amount on the property within 9 months of the
8 date of sale or conveyance of the property, the municipality may commit the accrued amount of the
9 deferral to the collector of taxes with a warrant signed by the assessing officials requiring him or her
10 to collect it; and the collector of taxes shall have the same rights and remedies in relation thereto as
11 provided in RSA 76:13 and RSA 80. Prior to holding a tax sale or executing a priority tax lien under
12 RSA 80:59, the collector shall, at least 30 days prior to such tax sale or tax lien execution, send notice
13 by certified or registered mail, to the last known post office address of the current owner, if known, or
14 to the last known address of the taxpayer who received the deferral, and to all mortgagees from
15 whom permission has been sought pursuant to paragraph III of this section. Any person with a legal
16 interest in the property may redeem it, either prior to the tax sale or tax lien execution, or
17 subsequently as set forth in RSA 80:32 or RSA 80:69.

18 2 Effective Date. This act shall take effect January 1, 2014.

CHAPTER 141
HB 655-FN - FINAL VERSION

13Mar2013... 0488h

2013 SESSION

13-0199
10/03

HOUSE BILL **655-FN**

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SPONSORS: Rep. Daniels, Hills 40

COMMITTEE: Municipal and County Government

ANALYSIS

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CHAPTER 141
HB 655-FN - FINAL VERSION

13Mar2013... 0488h

13-0199
10/03

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Thirteen

AN ACT relative to the collection of the amount of the property tax deferral for the elderly or disabled upon sale of the property.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 141:1 New Paragraph; Property Taxation; Tax Deferral For Elderly and Disabled. Amend
2 RSA 72:38-a by inserting after paragraph IV the following new paragraph:

3 IV-a. When the owner of a property subject to a tax deferral sells or otherwise conveys the
4 property, the owner or grantee shall pay in full the deferred taxes plus any interest due and the
5 municipality shall provide recorded written release or satisfaction of the notice of tax deferral. If the
6 owner or grantee, who shall be deemed to have notice of and shall take title to the property subject
7 to the notice of tax deferral, does not pay the accrued amount on the property within 9 months of the
8 date of sale or conveyance of the property, the municipality may commit the accrued amount of the
9 deferral to the collector of taxes with a warrant signed by the assessing officials requiring him or her
10 to collect it; and the collector of taxes shall have the same rights and remedies in relation thereto as
11 provided in RSA 76:13 and RSA 80. Prior to holding a tax sale or executing a priority tax lien under
12 RSA 80:59, the collector shall, at least 30 days prior to such tax sale or tax lien execution, send notice
13 by certified or registered mail, to the last known post office address of the current owner, if known, or
14 to the last known address of the taxpayer who received the deferral, and to all mortgagees from
15 whom permission has been sought pursuant to paragraph III of this section. Any person with a legal
16 interest in the property may redeem it, either prior to the tax sale or tax lien execution, or
17 subsequently as set forth in RSA 80:32 or RSA 80:69.

18 141:2 Effective Date. This act shall take effect January 1, 2014.

19
20 Approved: June 27, 2013

21 Effective Date: January 1, 2014

LBAO
13-0199
Revised 03/21/13
Amended 03/18/13

HB 655 FISCAL NOTE

AN ACT relative to the collection of the amount of the property tax deferral for the elderly or disabled upon sale of the property.

FISCAL IMPACT:

The New Hampshire Municipal Association states this bill, as amended by the House (Amendment #2013-0488h), may increase local revenue by an indeterminable amount in FY 2014 and each year thereafter. There will be no fiscal impact on state or county revenue, or state, county, and local expenditures.

METHODOLOGY:

The New Hampshire Municipal Association (NHMA) states this bill requires deferred taxes for elderly and disabled property owners and accrued interest to be collected upon the property's sale or other conveyance. The NHMA states current law requires payment of deferred taxes when the owner dies, but does not require payment when the property is sold or otherwise conveyed by the owner. The NHMA states county and local revenue may be increased because this bill now provides for payment of deferred taxes when the property is transferred to another party, not just when the owner dies. However, NHMA is unable to determine the amount of increased revenue.

Committee Minutes

ATTENDANCE

**SENATE CALENDAR NOTICE
PUBLIC AND MUNICIPAL AFFAIRS**

7

- ✓ Senator David Boutin Chairman
- ✓ Senator Jeanie Forrester V Chairman
- ✓ Senator Bette Lasky
- ✓ Senator David Pierce
- ✓ Senator Nancy Stiles

START: 9:47 AM
STOP: 9:54 AM

For Use by Senate Clerk's Office ONLY

Bill Status

Docket

Calendar

Proof: Calendar Bill Status

Date: April 9, 2013

HEARINGS

Wednesday

4/17/2013

PUBLIC AND MUNICIPAL AFFAIRS

LOB 102

9:00 AM

(Name of Committee)

(Place)

(Time)

EXECUTIVE SESSION MAY FOLLOW

- 9:00 AM HB634 relative to water resource management and protection plans in municipal master plans.
- 9:30 AM HB655-FN: ~~relative to the collection of the amount of the property tax deferral for the elderly or disabled upon sale of the property.~~
- 9:45 AM HB558 relative to disclosure of information regarding charitable solicitations.

Sponsors:

HB634

- Rep. Judith Spang
- Sen. John Reagan

- Rep. Jane Beaulieu
- Rep. David Borden

- Rep. Donna Schlachman
- Sen. Martha Fuller Clark

Sen. David Watters

HB655-FN

- Rep. Gary Daniels

HB558

- Rep. Neal Kurk

SENATE PUBLIC AND MUNICIPAL AFFAIRS COMMITTEE

Hearing Report

Deb Martone, Legislative Aide

HB 655-FN -- *An Act relative to the collection of the amount of the property tax deferral for the elderly or disabled upon sale of the property.*

Hearing Date: April 17, 2013

Time Opened: 9:47 am

Time Closed: 9:54 am

Members of the Committee Present: Senators Forrester, Stiles, Lasky and Pierce.

Members of the Committee Absent: Senator Boutin

Bill Analysis: Requires that the amount of the tax deferral and accrued interest be paid to the municipality granting the deferral upon the sale of the property to a purchaser.

Sponsor: Representative Daniels

Who supports the bill: Representatives Daniels, Danielson and Porter; Atty. Cordell Johnston, NH Municipal Association; Jack Sheehy, Town of Milford; Michael Jache, City of Concord.

Summary of testimony presented in support:

Representative Daniels:

- Representative Daniels sits on the Milford Board of Selectmen. This bill was a request from the town's Finance Director.

Jack Sheehy, Milford Finance Director:

- This bill fills a loophole in the current law.
- HB 655 would allow for procedures to force collection of a tax deferral lien in the case of the sale or transfer of a property against which a tax deferral lien has been recorded.
- Currently, if the property owner who received the deferral is still alive and the property is sold or transferred and the lien is not redeemed, the tax collector has no recourse to collect the lien.
- This addition to the statute would give the tax collector the same rights to collect as if the previous owner was deceased.

Michael Jache, City of Concord, representing the NH Tax Collectors Association:

- As a property gets sold, it makes sense that the community would be paid at that point in time.
- This bill would give the community first priority in the disposition of the proceeds.

Fiscal Note: The NH Municipal Association states the bill, as amended by the House, may increase local revenue by an indeterminable amount in FY 2014 and each year thereafter. There will be no fiscal impact on state or county revenue, or state, county and local expenditures.

Future Action: Pending

dam

Date hearing report completed: April 17, 2013

Speakers

Testimony



Town of Milford

FINANCE

April 17, 2013

Public and Municipal Affairs Committee
New Hampshire Senate

Town Hall
1 Union Square
Milford, NH 03055
(603) 249-0640
Fax (603) 673-2273
www.milford.nh.gov

TDD Access:
Relay NH 1-800-735-2964

Dear Committee Members :

I am in favor of HB-655.

This new paragraph added to RSA 72:38-a would allow for procedures to force collection of a Tax Deferral Lien in the case of the sale or transfer of a property against which a Tax Deferral Lien has been recorded. Currently if the property owner who received the deferral is still alive, the property is sold or transferred, and the lien is not redeemed, the tax collector has no recourse to collect the lien. This addition to the RSA would give the tax collector the same rights to collect as if the previous owner was deceased (RSA 72:38-a IV).

Thank you for your consideration.

Sincerely,

Jack Sheehy
Director of Financial Operations
E-mail: jsheehy@milford.nh.gov

Committee Report

STATE OF NEW HAMPSHIRE
SENATE
REPORT OF THE COMMITTEE
FOR THE CONSENT CALENDAR

Date: May 9, 2013

THE COMMITTEE ON Public and Municipal Affairs

to which was referred House Bill 655-FN

AN ACT relative to the collection of the amount of the property tax
deferral for the elderly or disabled upon sale of the
property.

Having considered the same, the committee recommends that the Bill:

OUGHT TO PASS

BY A VOTE OF: 5-0

CONSENT CALENDAR VOTE: 5-0

Senator Jeanie Forrester for the Committee

Upon the sale of a property to a purchaser, this bill requires the amount of the tax deferral and accrued interest be paid to the municipality granting the deferral.

Debra Martone 271-3092

New Hampshire General Court - Bill Status System

Docket of HB655

Docket Abbreviations

Bill Title: relative to the collection of the amount of the property tax deferral for the elderly or disabled upon sale of the property.

Official Docket of HB655:

Date	Body	Description
1/3/2013	H	Introduced 1/3/2013 and Referred to Municipal and County Government; HJ 12 , PG.205
2/12/2013	H	Public Hearing: 2/19/2013 1:00 PM LOB 301
2/20/2013	H	Executive Session: 3/5/2013 10:00 AM LOB 301
3/5/2013	H	Committee Report: Ought to Pass with Amendment #0488h for Mar 13 (Vote 20-0; CC); HC 22 , PG.511
3/5/2013	H	Proposed Committee Amendment #2013-0488h ; HC 22 , PG.566
3/13/2013	H	Amendment #0488h: AA VV; HJ 26 , PG.767
3/13/2013	H	Ought to Pass with Amendment #0488h: MA VV; HJ 26 , PG.767
3/14/2013	S	Introduced and Referred to Public & Municipal Affairs
4/9/2013	S	Hearing: 4/17/13, Room 102, LOB, 9:30 a.m.; SC16
5/10/2013	S	Committee Report: Ought to Pass, 5/23/13; Vote 5-0; CC; SC21
5/23/2013	S	Ought to Pass: MA, VV; OT3rdg;
6/6/2013	S	Enrolled
6/13/2013	H	Enrolled [Recess of 6/5/13]; HJ49 , PG.1648
6/27/2013	H	Signed By Governor 06/27/2013; Effective 01/01/2014; Chapter 0141

NH House

NH Senate

Other Referrals

COMMITTEE REPORT FILE INVENTORY

#0655-FN ORIGINAL REFERRAL _____ RE-REFERRAL

1. THIS INVENTORY IS TO BE SIGNED AND DATED BY THE COMMITTEE AIDE AND PLACED INSIDE THE FOLDER AS THE FIRST ITEM IN THE COMMITTEE FILE.
2. PLACE ALL DOCUMENTS IN THE FOLDER FOLLOWING THE INVENTORY IN THE ORDER LISTED.
3. THE DOCUMENTS WHICH HAVE AN "X" BESIDE THEM ARE CONFIRMED AS BEING IN THE FOLDER.
4. THE COMPLETED FILE IS THEN DELIVERED TO THE CALENDAR CLERK.

- DOCKET (Submit only the latest docket found in Bill Status)
- COMMITTEE REPORT
- CALENDAR NOTICE
- HEARING REPORT
- HANDOUTS FROM THE PUBLIC HEARING
- PREPARED TESTIMONY AND OTHER SUBMISSIONS
- SIGN-UP SHEET(S)

ALL AMENDMENTS (passed or not) CONSIDERED BY COMMITTEE:

____ - AMENDMENT # _____ - AMENDMENT # _____
____ - AMENDMENT # _____ - AMENDMENT # _____

ALL AVAILABLE VERSIONS OF THE BILL:

AS INTRODUCED AS AMENDED BY THE HOUSE
 FINAL VERSION AS AMENDED BY THE SENATE

OTHER (Anything else deemed important but not listed above, such as amended fiscal notes): AMENDED FISCAL NOTE 03/18/13

DATE DELIVERED TO SENATE CLERK 08/01/13 Debra A. Martore
BY COMMITTEE AIDE