

Committee Report

CONSENT CALENDAR

February 13, 2019

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Committee on Municipal and County Government to which was referred HB 129,

AN ACT relative to property taxes for residents 65 years

of age and older. Having considered the same, report

the same with the following resolution: RESOLVED, that it is INEXPEDIENT TO LEGISLATE.

Rep. Jim Maggione

FOR THE COMMITTEE

- Copy to Committee Bill File
- Use Another Report for Minority Report

RESPECTFULLY SUBMITTED,
 Rep. *Jim Mangione*
 For the Committee
Rock 22
North Hampton

COMMITTEE VOTE: 19-0

177
 The intent of HB 129 is to provide a cap on property tax relief for residents 65 years or older who have no school aged children in the local school. This bill has not verification of school-age children in household; no means testing for household income; and does not provide for variability of the cap relative to changes in the local tax rate. Exemptions for elderly currently exist. This bill becomes duplicative for these reason the committee voted unanimously for

STATEMENT OF INTENT:

- OUGHT TO PASS
- OUGHT TO PASS W/ AMENDMENT
- INEXPEDIENT TO LEGISLATE
- INTERIM STUDY (Available only 2nd year of biennium)

Amendment No. _____

DATE: 2/12/19 CONSENT CALENDAR: YES NO

TITLE: relative to property taxes for residents 65 years of age and older

BILL NUMBER: 129

COMMITTEE: Muni + County Port

COMMITTEE REPORT

Voting Sheets

HOUSE COMMITTEE ON MUNICIPAL AND COUNTY GOVERNMENT

EXECUTIVE SESSION on HB 129

BILL TITLE: relative to property taxes for residents 65 years of age and older.

DATE: February 12, 2019

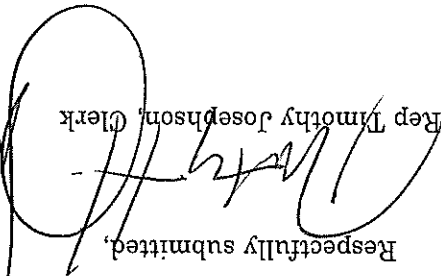
LOB ROOM: 301

MOTIONS: INEXPEDIENT TO LEGISLATE

Moved by Rep. Maggione
Seconded by Rep. Tatro
Vote: 19-0

CONSENT CALENDAR: YES

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Timothy Josephson, Clerk

HOUSE COMMITTEE ON MUNICIPAL AND COUNTY GOVERNMENT

EXECUTIVE SESSION ON HB 129

BILL TITLE: relative to property taxes for residents 65 years of age and older.

LOB ROOM: 301

DATE: 8/12/19

MOTION: (Please check one box)

Moved by Rep. Maggiora ITL OTP
 Retain (1st year) Retain (1st year) Interim Study (2nd year) Adoption of Amendment # 19-0 (if offered)
Seconded by Rep. Laine Vote: 19-0

MOTION: (Please check one box)

Moved by Rep. _____ OTP OTP/A ITL
 Retain (1st year) Retain (1st year) Interim Study (2nd year) Adoption of Amendment # _____ (if offered)
Seconded by Rep. _____ Vote: _____

MOTION: (Please check one box)

Moved by Rep. _____ OTP OTP/A ITL
 Retain (1st year) Retain (1st year) Interim Study (2nd year) Adoption of Amendment # _____ (if offered)
Seconded by Rep. _____ Vote: _____

MOTION: (Please check one box)

Moved by Rep. _____ OTP OTP/A ITL
 Retain (1st year) Retain (1st year) Interim Study (2nd year) Adoption of Amendment # _____ (if offered)
Seconded by Rep. _____ Vote: _____

CONSENT CALENDAR: YES NO

Minority Report? Yes No If yes, author, Rep: _____ Motion _____

Respectfully submitted:

[Signature]
Rep Timothy Josephson, Clerk



OFFICE OF THE HOUSE CLERK

1/14/2019 3:24:03 PM
 Roll Call Committee Registers
 Report

2019 SESSION

Municipal and County Government

Bill #: 129

Motion: ITL

AM #:

Exec Session Date: 2/12/19

Members	YEAS	Nays	NV
Carson, Clyde J. Chairman	19		
Tatro, Bruce L. Vice Chairman	1		
Porter, Marjorie A.	2		
Treaven, Susan GS			absent
Gilman, Julie D.	3		
Josephson, Timothy Clerk	4		
Meader, David R.	5		
Dargie, Paul P.	6		
Maggiore, Jim V.	7		
Mombourquette, Donna M.	8		
Stavis, Laurel	9		
Belanger, James P.	10		
Migliore, Vincent Paul <i>Baldasso</i>	11		
Abramson, Max	12		
Dolan, Tom	13		
Kittredge, Derek MacMillen	14		
MacDonald, John T.	15		
Perrault, Mona	16		
Piemonte, Tony	17		
Pratt, Kevin M.	18		
TOTAL VOTE:	19-0		

Hearings Minutes

HOUSE COMMITTEE ON MUNICIPAL AND COUNTY GOVERNMENT

PUBLIC HEARING ON HB 129

BILL TITLE: relative to property taxes for residents 65 years of age and older.

DATE: January 29, 2019

LOB ROOM: 301 Time Public Hearing Called to Order: 10:35 a.m.

Time Adjourned: 11:25 a.m.

Committee Members: Reps. Carson, Tatro, Josephson, Porter, Treleven, Gilman, Meader, Dargie, Maggioro, Mombourquette, Stavits, Belanger, Abramson, Dolan, Kirtredge, MacDonald, Perreault, Piemonte and Pratt

Bill Sponsors:
Rep. Comtois

Rep. Abramson

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

1. Rep. Comtois - Bellkap 7 - PRIME SPONSOR

a. This is from a constituent

b. If you've lived in the town for 5 years and no kids this will cap your school taxes

c. It's an attempt for people living on fixed incomes

d. It lets people stay in their homes

e. Q: Belanger: Nothing here about income (it has to be their primary residence) in

other RSAs, there are provisions for income and assets so the rich don't get it -- this

bill doesn't have that (correct)

f. Q: Porter: doesn't the elderly exemption do this? (my understanding is that it does,

but these exemptions do not help in the increases. This will help planning. This only

caps their education tax)

g. Q: Tatro: hypothetically -- school tax base is \$X.00 next year is on a default budget

that lowers taxes, does THAT become the new base? (that's my assumption)

h. Q: Treleven: The benchmark of not having a child is the right thing to look at --

don't public schools provide other benefits to the community? (yes) school tax

maintains that building? (yes) if elderly wants to support schools and have well

educated community, does this send the message they don't care? (still paying, just

capped)

i. Q: Dolan: If this class of people is capped and the community increases the budget,

who pays (the rest of taxpayers)

j. Q: Porter: is there any estimate of time and money for a tax cap every year? For

example, this year there are 15 people at \$10/\$1k, next year 10 more at \$10.50/\$1k.

Did you consider this aspect? (no, but aren't we doing this with current exemptions?)

k. Q: Stavits: I serve on a non-profit board and 90% of the people we serve are between

17 and 45. What message are we sending to those who are working 2, 3, 4 jobs? (A

different angle: someone who paid in for 20 years but didn't send kids to public

schools. Keeping people in town is what we want -- the elderly have already put us

through schools and they shouldn't have to struggle. It sends the message that we

value the elderly)

1. Q: Piemonte: A constituent wanted this -- is there a portion of your community losing homes as a result of increasing taxes? (At some point the elderly can't keep paying increases)
 - m. Q: Gilman: If someone eligible for the elderly tax exemption, does the cap go from that? (not sure)
2. **Barbara Reid: NHMA -- Opposed**
 - a. Administratively difficult to enact, particularly about verifying school age children in home
 - b. No income or asset limits, no specifics on percentages or dollar amounts
 - c. This will raise everyone's taxes
 - d. We are concerned that this deals with education funding through towns?
 - e. This is asking towns to give a break on state tax and the school district tax?
 - f. There is a low/moderate income property tax relief on the state education property tax
 - g. There are local options for elderly exemptions
 - h. Q: Gilman: In a school co-operative, if one town adopts this, is the cost spread to the rest of the towns? (not sure, but probably)
 - i. Q: Carson: If I had a house with an ADU, the ADU might have kids? (yes, very confusing, especially with grandparents raising kids, will this mean they won't want to take care of kids?)
 - j. Q: Belanger: cooperative is 2 towns, one says yes one says no, but the town granted it, would taxes rise? (yes)
 - k. Q: Treleven: If I was an elderly person in town, how do I find out about programs? (every tax bill says what's available)
 - l. Q: Stavits: NHMA, any stats on impacts on renters from property taxes? (Other orgs do and could very well raise rents)
 3. **Hal Lynde - Pelham Selectman -- Opposes bill**
 - a. In doing the taxes, we add exemptions to the taxes
 - b. I don't have any kids that age but I do have grandkids
 - c. Our state is aging and we've added a lot of elderly housing, etc, but not enough for young people
 - d. The state should be encouraging young people to come to NH
 - e. The state already has avenues to help the elderly
 - f. Q: Tatro: are exemptions listed as public records? (we don't say who, but I don't know for other towns)
 - g. Q: Tatro: Our tax books in town, you can look up everyone's taxes, couldn't you find out who's not paying? (yes)
 4. **Rep. Guthrie -- Rock 13 -- opposes bill**
 - a. He is also a Selectman in Hampstead
 - b. The concept is that "you've paid your dues to the school" -- looking at it as 2 entities, but it's intertwined.
 - c. This bill sends a bad message
 5. *** Jim Michaud *** Chief Assessor of Hudson -- Opposes bill**
 - a. *** see written testimony ***
 6. **Robert Gagne -- City of Manchester, Chair of the Board of Assessors -- Opposed to the bill**

- a. Property tax is the fairest with no exemptions
- b. Property tax is a share of the common burden
- c. This state is aging; we should be doing everything possible to attract younger people. This shifts the tax burden to those people we want to be here
- d. Q: Belanger: How do you see private or home schools in this? (doesn't address that, not sure)

7. **John Borg – Farmington** -- supports bill

- a. Passes on speaking

8. **Tom Humpries: Selectman of Brookline** -- supports the bill

- a. Currently dipping into my savings to pay taxes
- b. What is one's fair share?

9. **Hon. Dan McGuire – Epsom** -- opposes the bill

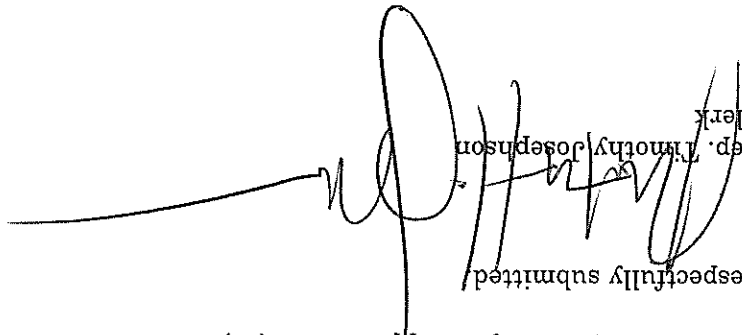
- a. Bad tax policy
- b. Only shifts the burden
- c. People whose taxes are lowered still get to vote on school budgets
- d. The people who vote on and pay for budgets should be one in the same

10. **Ed Corriveau – Barnstead** -- supports bill

- a. We are prepared to pay property taxes for police, fire, schools
- b. At age 65 you've planned on where you live
- c. The state should support people 65 and over
- d. This is about increases only
- e. Q: Porter: if the state were to find a way to significantly increase student adequacy aid, would you be in support of that? (yes) if it increased business taxes or had new taxes, would you support that? (no)

Respectfully submitted,

Rep. Timothy Josephson
Clerk



HOUSE COMMITTEE ON MUNICIPAL AND COUNTY GOVERNMENT

PUBLIC HEARING ON HB 129

BILL TITLE: relative to property taxes for residents 65 years of age and older.

DATE: January 29, 2019

ROOM: 301

Time Public Hearing Called to Order: ~~10:35~~

Time Adjourned: 1125

1035

Committee Members: Reps. Carson, Tatro, Porter, Treleaven, Gilman, Josephson, Meader, Dargie, Maggioro, Mombourquette, Stavis, Belanger, Migliore, Abramson, Bolan, Kirtledge, MacDonald, Perreault, Piemonte and Pratt

(please circle if present)

Bill Sponsors:
Rep. Comtois

Rep. Abramson

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

① Rep Comtois - PRIME SPONSOR - supports Bill - Belknap 7

- from a constituent

- if you've lived in the town for 5 yrs + no kids

This will cap year & school taxes

- an attempt for ppl living on fixed incomes

- lets people stay in their homes

Q: Belanger - nothing here about income

(has to be their primary residence) in other RSAs,

than one provision for income/assets so the

NEL don't get it - RS 611 doesn't have that (correct)

Q - Porter: doesn't the elderly exemption do this?

(my understanding that it does, but those

exemptions do not help in the increases.

This will help planning. The only caps
their edu tax

Q - Tatro: hypothetically - school tax base
is \$X.00, next year is on a default
that lowers taxes, does that become the
new base? (that's my assumption)

Q - Treleven: The benchmark of not having a child
is the right thing to look at - don't
public schools provide other benefits to
community? (yes) school tax maintains
that building? (yes) if elderly wants
to support schools + have well educated
community, does TRB send the message
don't care? (still paying, but capped)

Q - Dolan: if this class of ppl is capped +
community increases budget, who pays
the increase? (rest of taxpayers)

Q - Porter: is there any estimate of time + \$
for a tax cap every year?

This year - 15 mp @ \$10/1k

next year - 10 mm @ \$10.50/1k

did you consider TRB aspect? (no)

(but aren't we doing TRB w/ current
exemptions?)

Q - Stevis: serve on non-profit board - 90% of ppl ^{we serve} are
between 17-45. What message are we
sending to those who are working 2, 3, 4 jobs?

(different angle - paid 20 yrs, didn't send kids to public schools)

(keeping ppl in town is what we want - ②)

The elderly have already put us through schools and they shouldn't have to struggle (funds message that we value elderly)

Q-Pierante: constraint wanted - are there a

number of the community lost hours as a result of increasing taxes? (at some point elderly can't keep paying - houses)

Q-Gilman - if someone eligible for elderly tax exemption, does the cap go full

that? (not sure)

② Barbara Reed - NHTA - opposed

- administratively difficult to enact - particularly about verifying school age children & having no income/asset limits, no specifics on % or \$
- this raises everyone's taxes

- concerned that this is education but through taxes?

- asking towns to give a break on state tax and the school district tax?

- there is a low income property tax relief on state edu prop tax

- local options for elderly exemptions

Q-Gilman - is a school co-op, if one town adopts this is the cost spread to the rest of the towns? (not sure, but probably)

HOUSE COMMITTEE ON MUNICIPAL AND COUNTY GOVERNMENT

SUBCOMMITTEE WORK SESSION on HB 129

BILL TITLE: relative to property taxes for residents 65 years of age and older.

DATE:

Subcommittee Members:

Comments and Recommendations:

MOTIONS: OTP, OTP/A, TTL, Retained (1st Yr), Interim Study (2nd Yr)
(Please circle one)

Moved by Rep. _____

Seconded by Rep. _____

AM Vote: _____

Adoption of Amendment # _____

Moved by Rep. _____

Seconded by Rep. _____

Vote: _____

Amendment Adopted _____
Amendment Failed _____

MOTIONS: OTP, OTP/A, TTL, Retained (1st Yr), Interim Study (2nd Yr)
(Please circle one)

Moved by Rep. _____

Seconded by Rep. _____

AM Vote: _____

Adoption of Amendment # _____

Moved by Rep. _____

Seconded by Rep. _____

Vote: _____

Amendment Adopted _____
Amendment Failed _____

Respectfully submitted,

Rep. _____

Subcommittee Chairman/Clerk

Q - Person - If I had a house w/ an ADU, (3)

The ADU might have kids?

(yes, v. confusing, grandparents raising kids will this mean they want to take care of kids?)

Q - Belonger: Corp: 2 buses 1 yr > doesn't change \$, but

the town that granted it would (4)

Q - ~~Trainer~~ Trainer: If I was an elderly person in

town, how do I find out about programs?

(every tax bill says what's over)

Q - Status - W/MA any state on impact or voters

from prop taxes? (Our orgs do) and

could you well raise nuts)

(3) Hal Lynde - opposes bill - Pelham Selection

- don't taxes, we add exemptions to the taxes

- I don't have any kids that age w/ grandkids

- our state is aging.

- we've added a lot of elderly housing etc but not for

- should be encouraging young ppl to connect with

- state has many avenues to help elderly

Q - Tate: are exemptions listed as public records? (we don't say who, but I don't know for sure)

SB 348 - AS AMENDED BY THE SENATE

03/17/2016 0991s

2016 SESSION

16-2782

10/03

SENATE BILL 348

AN ACT allowing municipalities to adopt a property tax credit for certain disabled veterans.

SPONSORS: Sen. Daniels, Dist 11; Sen. Birdsell, Dist 19; Sen. Carson, Dist 14; Sen. D'Allesandro, Dist 20; Sen. Woodburn, Dist 1; Rep. Baber, Strat. 14; Rep. C. Christensen, Hills. 21; Rep. K. Roberts, Ches. 16; Rep. Weyler, Rock. 13; Rep. R. Ober, Hills. 37

COMMITTEE: Public And Municipal Affairs

AMENDED ANALYSIS

This bill allows town and cities to adopt an additional credit from property taxes for certain totally and permanently disabled veterans.

Explanation: Matter added to current law appears in *bold italics*.
Matter removed from current law appears ~~in brackets and struck through~~.
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.
03/17/2016 0991s 16-2782
10/03

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Sixteen

AN ACT allowing municipalities to adopt a property tax credit for certain disabled veterans.

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

1 New Section; Property Taxation; Additional Optional Credit; Certain Disabled Veterans. Amend RSA 72 by inserting after section 36-b the following new section:
72:36-c Additional Optional Credit; Certain Disabled Veterans.

1. Following adoption by the procedure in RSA 72:27-a, a town or city may grant the property tax credit under paragraph II.
II (a) A person shall be eligible for a credit to be subtracted from the property tax on his or her primary residence if such person:

- (1) Is discharged from military service of the United States under conditions other than dishonorable or honorably separated from military service; and
- (2) Is totally and permanently disabled from a service-connected disability, as determined by the United States Department of Veterans' Affairs; and
- (3) Provides the assessors with satisfactory proof of such service-connected disability and the United States Department of Veterans' Affairs determination.

q - Tom - on tax breaks in town you can look up everyone's taxes, couldn't you find out who's not paying? (yrs)

④ Roy Guthrie - Rock 13 - opposes bill

- Gettysburg - it's off our street

- the concept is that "you've paid your dues for the school" - looking at it as 2 entities, but it's intertwined. Sends very message

⑤ * Jim Michael - Town of Hudson Assessor *
* see written testimony *
opposes bill

⑥ ~~Tom~~ Robert Fagan - City of Manchester, Chair of board of assessors - opposes the bills

- property tax is the front w/ no exemptions
- property tax is a share of the common burden

- this state is aging, we should be doing everything possible to attract younger people. This shifts tax burden to their ppl

q - Belonger: how do you see private n home school in this? (doesn't address this) ^{not sure}

⑦ Tom Humphries - Breakline - supports the bill
Selection

- currently dipping into savings to pay taxes
- what is our fair share?

TITLE V TAXATION CHAPTER 72 PERSONS AND PROPERTY LIABLE TO TAXATION Property Taxes Section 72:35

72:35 Tax Credit for Service-Connected Total Disability. –

I. Any person who has been honorably discharged or an officer honorably separated from the military service of the United States and who has total and permanent service-connected disability, or who is a double amputee or paraplegic because of service-connected injury, or the surviving spouse of such a person, shall receive a standard yearly tax credit in the amount of \$700 of property taxes on the person's residential property.

[Paragraph I-a effective until January 1, 2019; see also paragraph I-a set out below.]

I-a. The optional tax credit for service-connected total disability, upon adoption by a city or town pursuant to RSA 72:27-a, shall be an amount from \$701 up to \$2,000. The optional tax credit for service-connected total disability shall replace the standard tax credit in its entirety and shall not be in addition thereto.

[Paragraph I-a effective January 1, 2019; see also paragraph I-a set out above.]

I-a. The optional tax credit for service-connected total disability, upon adoption by a city or town pursuant to RSA 72:27-a, shall be an amount from \$701 up to \$4,000. The optional tax credit for service-connected total disability shall replace the standard tax credit in its entirety and shall not be in addition thereto.
I-b. Either the standard tax credit for service-connected total disability or the optional tax credit for service-connected total disability shall be subtracted each year from the property tax on the person's residential property.
II. The standard or optional tax credit under this section may be applied only to property which is occupied as the principal place of abode by the disabled person or the surviving spouse. The tax credit may be applied to any land or buildings appurtenant to the residence or to manufactured housing if that is the principal place of abode.
III. (a) Any person applying for the standard or optional tax credit under this section shall furnish to the assessors or selection certification from the United States Department of Veterans' Affairs that the applicant is rated totally and permanently disabled from service connection. The assessors or selection shall accept such certification as conclusive on the question of disability unless they have specific contrary evidence and the applicant, or the applicant's representative, has had a reasonable opportunity to review and rebut that evidence. The applicant shall also be afforded a reasonable

⑧ Hon. Dan McFinn - Epsom - opposes bill
- bad tax policy
- this bill does nothing about spending
- only shifts burden

- people whose taxes are lowered still get
to vote on school budgets
- the people who choose + pay for budgets
should be vote + same

⑨ Ed Corriveau - Barnstead - supports bill

- we are prepared to pay prop taxes for
police, fire, schools.

- at age 65 you're planned on where you live
- the state should support people 65+ over
- this is about increases only

⑩ Porter: if the state were to find a way to
significantly increase student adequacy aid
would you be in support of that? (yes)
If it increased or new taxes, support (no)

TITLE V

TAXATION

CHAPTER 72

PERSONS AND PROPERTY LIABLE TO TAXATION

Property Taxes

Section 72:36-a

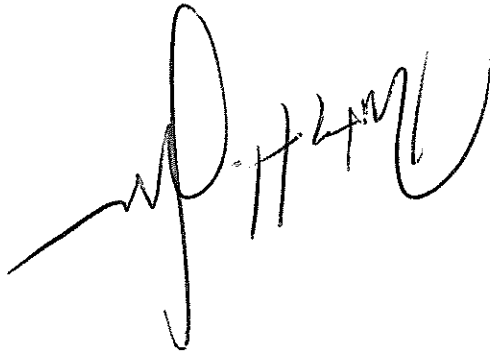
72:36-a Certain Disabled Veterans. – Any person, who is discharged from military service of the United States under conditions other than dishonorable, or an officer who is honorably separated from military service, who is totally and permanently disabled from service connection and satisfactory proof of such service connection is furnished to the assessors and who is a double amputee of the upper or lower extremities or any combination thereof, paraplegic, or has blindness of both eyes with visual acuity of 5/200 or less as the result of service connection and who owns a specially adapted homestead which has been acquired with the assistance of the Veterans Administration or which has been acquired using proceeds from the sale of any previous homestead which was acquired with the assistance of the Veterans Administration, the person or person's surviving spouse, shall be exempt from all taxation on said homestead.

Source. 1965, 291:1. 1971, 466:1. 1977, 52:1. 1987, 200:1. 1993, 73:9, eff. June 22, 1993.

1. Rep. Comtois - Belknap 7 - PRIME SPONSOR

- a. This is from a constituent
 - b. If you've lived in the town for 5 years and no kids this will cap your school taxes
 - c. It's an attempt for people living on fixed incomes
 - d. It lets people stay in their homes
 - e. Q: Belnager: Nothing here about income (it has to be their primary residence) in other RSAs, there are provisions for income and assets so the rich don't get it -- this bill doesn't have that (correct)
 - f. Q: Porter: doesn't the elderly exemption do this? (my understanding is that it does, but these exemptions do not help in the increases. This will help planning. This only caps their education tax)
 - g. Q: Tatro: hypothetically -- school tax base is \$X.00 next year is on a default budget that lowers taxes, does THAT become the new base? (that's my assumption)
 - h. Q: Treleven: The benchmark of not having a child is the right thing to look at -- don't public schools provide other benefits to the community? (yes) school tax maintains that building? (yes) if elderly wants to support schools and have well educated community, does this send the message they don't care? (still paying, just capped)
 - i. Q: Dolan: If this class of people is capped and the community increases the budget, who pays (the rest of taxpayers)
 - j. Q: Porter: is there any estimate of time and money for a tax cap every year? For example, this year there are 15 people at \$10/\$1k, next year 10 more at \$10.50/\$1k. Did you consider this aspect? (no, but aren't we doing this with current exemptions?)
 - k. Q: Stavis: I serve on a non-profit board and 90% of the people we serve are between 17 and 45. What message are we sending to those who are working 2, 3, 4 jobs? (A different angle: someone who paid in for 20 years but didn't send kids to public schools. Keeping people in town is what we want -- the elderly have already put us through schools and they shouldn't have to struggle. It sends the message that we value the elderly)
 - l. Q: Piemonte: A constituent wanted this -- is there a portion of your community losing homes as a result of increasing taxes? (At some point the elderly can't keep paying increases)
 - m. Q: Gilman: If someone eligible for the elderly tax exemption, does the cap go from that? (not sure)
2. Barbara Reid: NHMA -- opposed
- a. Administratively difficult to enact, particularly about verifying school age children in home
 - b. No income or asset limits, no specifics on percentages or dollar amounts
 - c. This will raise everyone's taxes
 - d. We are concerned that this deals with education funding through towns?

- e. This is asking towns to give a break on state tax and the school district tax?
 f. There is a low/moderate income property tax relief on the state education property tax
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 h. Q: Gilman: In a school co-operative, if one town adopts this, is the cost spread to the rest of the towns? (not sure, but probably)
 i. Q: Carson: If I had a house with an ADU, the ADU might have kids? (yes, very confusing, especially with grandparents raising kids, will this mean they won't want to take care of kids?)
 j. Q: Belanger: cooperative is 2 towns, one says yes one says no, but the town granted it, would taxes rise? (yes)
 k. Q: Treleven: If I was an elderly person in town, how do I find out about programs? (every tax bill says what's available)
 l. Q: Stavis: NHMA, any stats on impacts on renters from property taxes? (Other orgs do and could very well raise rents)
3. Hal Lynde --Pelham Selectman -- opposes bill
 a. In doing the taxes, we add exemptions to the taxes
 b. I don't have any kids that age but I do have grandkids
 c. Our state is aging and we've added a lot of elderly housing, etc, but not enough for young people
 d. The state should be encouraging young people to come to NH
 e. The state already has avenues to help the elderly
 f. Q: Tatro: are exemptions listed as public records? (we don't say who, but I don't know for other towns)
 g. Q: Tatro: Our tax books in town, you can look up everyone's taxes, couldn't you find out who's not paying? (yes)
4. Rep. Guthrie -- Rock 13 -- opposes bill
 a. He is also a Selectman in Hampstead
 b. The concept is that "you've paid your dues to the school" -- looking at it as 2 entities, but it's intertwined.
 c. This bill sends a bad message
 *** Jim Michaud *** Chief Assessor of Hudson -- opposes bill
 a. *** see written testimony ***
6. Robert Gagne -- City of Manchester, Chair of the Board of Assessors -- opposed to the bill
 a. Property tax is the fairest with no exemptions
 b. Property tax is a share of the common burden
 c. This state is aging, we should be doing everything possible to attract younger people. This shifts the tax burden to those people we want to be here
 d. Q: Belanger: How do you see private or home schools in this? (doesn't address that, not sure)
7. John Borg -- Farmington -- supports bill
 a. Passes on speaking
 8. Tom Humphries: Selectman of Brookline -- supports the bill



Adjourned 11:25am

- a. Currently dipping into my savings to pay taxes
- b. What is one's fair share?
9. Hon. Dan McGuire -- Epsom -- opposes the bill
 - a. Bad tax policy
 - b. Only shifts the burden
 - c. People whose taxes are lowered still get to vote on school budgets
 - d. The people who vote on and pay for budgets should be one in the same
10. Ed Corriveau -- Barnstead -- supports bill
 - a. We are prepared to pay property taxes for police, fire, schools
 - b. At age 65 you've planned on where you live
 - c. The state should support people 65 and over
 - d. This is about increases only
 - e. Q: Porter: if the state were to find a way to significantly increase student adequacy aid, would you be in support of that? (yes) if it increased business taxes or had new taxes, would you support that? (no)

SIGN UP SHEET

To Register Opinion If Not Speaking

Bill # HB 129 Date January 29, 2019
 Committee Municipal + County Government

** Please Print All Information **

(check one)	Pro	Con	Name	Address	Phone	Representing
			Rock			
			Rep Joe Guthrie	114 Jace, Hill Rd, 635915 P.M. 56		Portsmouth
			Rep Josh Yokela			
			Rep Jason			
			Rep Rob Allen			Mr. Barnstead
			Rep Jim			Mr. Barnstead
			Rep Eric Young			Mr. Barnstead
			Rep Ed Conner			Mr. Barnstead
			Rep Linda Conner			Mr. Barnstead
			Rep Kenneth Young			Mr. Barnstead

7
4



TOWN OF HUDSON

Office of the Assessor

Jim Michaud
Chief Assessor, CAE

email: jmichaud@hudsonnh.gov

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12 School Street • Hudson, New Hampshire 03051 • Tel: 603-886-6009 • Fax: 603-594-1160

January 29, 2019

House Municipal & County Government Committee
Honorable Clyde Carson, Chairman

RE: HB 129

Dear Committee Members,

Thank you for the opportunity to provide input on HB 129. First, some legislative history on this topic.

This bill is similar to HB444 (attached) from the 2015 session, a bill that proposed to exempt property owners from school taxes based on how long they have lived in NH, which this committee found TTL by a vote of 17-1, the House subsequently supporting that TTL by voice vote, a copy of the committees report to the House is attached.

This bill is also similar to HB348 (attached), from the 2015 session, a bill that proposed a version of a property tax cap via a tax credit by means testing homeowners based on their income, which this committee found TTL by a vote of 17-0, the House subsequently supporting that TTL by voice vote, a copy of the committees report to the House is attached.

There is no shortage of property tax relief bills that get filed year after year, above are just 2 examples. I offer the following as items of concern based on the wording of this latest proposal:

- The proposal is lacks some implementation details of what a cap means, would it be a cap (a ceiling) based on a set amount of tax dollars, or, would it be a set percentage relationship, or would it be both, or possibly a weighted and blended formula, would it be able to be indexed to inflation?
- Has there been a fiscal scenario analysis of a sample community in order to illustrate how the tax dollars get shifted to other taxpayers within the community?
- Unlike existing elderly property tax relief programs (the local elderly exemption program in each community and the State's Low and Moderate Income Homeowners Property Tax Relief program) this proposal has contains no means-



testing of income/assets associated with it. The result would be those elderly taxpayers who are quite well off, even millionaires, would be able to receive this potential 100% exemption on education property taxes, which typically make-up 70% and more of the average homeowners property tax bill in NH.

• What verification method would the local community be allowed use to ensure that the property owners applying for the exemption did not have;

- a child residing at the residence,
- whom was also enrolled in the public school system,
- for 5 consecutive years

• Based on the bill, if someone 65 or older, had a child residing at the house, for 5 consecutive years, and they enrolled in a private school, they would not be able to apply for the tax cap relief. What about home schooled children, would the property owners in that situation be allowed to apply for the tax cap relief?

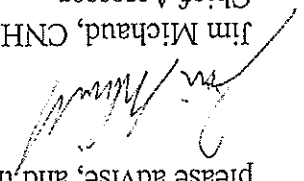
• The bill states 5 consecutive years, does that mean it's for any consecutive 5 year period for which the homeowner has owned by the property, or, is it the immediate, as of application, prior 5 consecutive years?

• As the bill is written, the implementation of the tax cap is illogical in terms of process. Neither the State, nor the local municipality, would know much the state/local education tax, for the qualified applicants, exceeds the cap until;

- the DRA certifies the tax rate;
- and then submits it to the local community;
- which then runs its tax bill process;
- only at that point would anyone know how much the credit should be, the math does not get done until then, however;
- that over the tax cap credit represents revenue that the community has to somehow make up for, after the fact, as the property value associated with that tax cap amount was used in the tax rate setting process itself.

I hope that this information proves useful to the committee members, if I can answer any questions or concerns of the committee relative to this, either during this hearing or after, please advise, and thank you for your consideration.

Jim Michaud, CNHA
Chief Assessor
Town of Hudson, NH



HB 444-L, exempting certain long-term residents from local school taxes. INEXPEDIENT TO LEGISLATE.

Rep. Chris Brown for Municipal and County Government. This bill exempts any person from paying school district taxes who has paid said taxes for 36 consecutive years or longer in New Hampshire. Our committee has been presented with many bills this session concerning property tax relief. None of them are without merit. On the other hand enacting any of them creates new inequities as it seeks to rectify existing inequities. The 36 consecutive year provision, however compelling, excludes many situations that could be equally or more deserving. Not the least of which is that it does not address one's ability to pay, an issue that affects many, but not all, older property owners. The bill also opens the door to arguments that only those with children in school should be paying for public schools. All of our citizens benefit from public schools and must share in it's cost. **Vote 17-1.**

HB 444-LOCAL - AS INTRODUCED

2015 SESSION

15-0229

10/08

HOUSE BILL 444-LOCAL

AN ACT exempting certain long-term residents from local school taxes.

SPONSORS: Rep. Hansen, Hills 22

COMMITTEE: Municipal and County Government

ANALYSIS

This bill exempts from the assessment of school district taxes any person who has paid school taxes and resided as a principal place of residence in this state for at least 36 consecutive years.

Explanation: Matter added to current law appears in *bold italics*.

~~Matter removed from current law appears [in brackets and struck through].~~

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

15-0229

10/08

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fifteen

AN ACT exempting certain long-term residents from local school taxes.

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

1 Title. This act shall be known as the John Bachman tax reform act.

2 School District Taxes; Exemption for Long-Term Residents. Amend RSA 194:5 to read as follows:

194:5 Taxation. In the assessment of school district taxes every person shall be taxed in the district in which he lives for his *or her* personal estate subject to taxation in town,

except that no school district taxes shall be assessed upon any person who has paid school district taxes on his or her principal place of residence in this state for 36 consecutive years or longer. A homeowner claiming such an exemption for long-term residence shall provide suitable proof of the claim to assessing officials. Real estate shall be taxed in the school district in which it is situated.

3 Effective Date. This act shall take effect April 1, 2015.

HB 348, allowing municipalities to adopt a property tax credit for elderly homeowners for the extent their tax bill exceeds 10 percent of income.

INEXPEDIENT TO LEGISLATE.

Rep. Marjorie A. Porter for Municipal and County Government. This bill would allow municipalities to adopt a property tax credit for elderly homeowners such that the tax would not exceed 10% of their income. Property taxes do weigh heavily on the elderly, and the committee was sympathetic to the intention of this bill. However, the implementation would prove problematic and unwieldy for municipalities. Unlike states with an income tax, NH has no data base of personal income which towns could use to help make the 10% determination; town officials would be required to delve into each applicant's personal finances in order to do so. Municipalities already have the ability to help their elderly citizens via an elderly exemption, and the DRA reports every municipality in the state has adopted some form of elderly exemption for property taxes. **Vote 17-0.**

HB 348 - AS INTRODUCED

2015 SESSION

15-0544

10/09

HOUSE BILL 348

AN ACT allowing municipalities to adopt a property tax credit for elderly homeowners for the extent their tax bill exceeds 10 percent of income.

SPONSORS: Rep. Myler, Merr 10; Rep. Karrick, Merr 25; Rep. Luneau, Merr 10

COMMITTEE: Municipal and County Government

ANALYSIS

This bill enables municipalities to adopt a property tax credit for persons aged 65 and older who qualify by income and assets. A tax credit is granted to the extent the taxpayer's tax bill is in excess of 10 percent of the taxpayer's income for the prior year.

Explanation: Matter added to current law appears in *bold italics*.

Matter removed from current law appears ~~in brackets and struck through.~~

Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

15-0544

10/09

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Fifteen

AN ACT allowing municipalities to adopt a property tax credit for elderly homeowners for the extent their tax bill exceeds 10 percent of income.

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

1 New Section; Elderly Property Tax Credit. Amend RSA 72 by inserting after section 39-b the following new section:

72:39-c Elderly Property Tax Credit.

I. A town or city may adopt or modify the property tax credit granted under this section by the procedure in RSA 72:27-a.

II. A resident taxpayer aged 65 or older who is liable for property taxes for property owned and used as his or her residential real estate, as defined in RSA 72:29, shall receive a credit in the amount of total state, county, and local property taxes owed in excess of 10 percent of the taxpayer's income for the prior year. A taxpayer claiming the credit under this section shall also meet the following requirements:

(a) The taxpayer shall have resided in the state for at least 3 consecutive years preceding April 1 in the year in which the credit is claimed.

(b) The adjusted gross income of the taxpayer for federal tax purposes shall not exceed \$20,000, or \$40,000 if married filing jointly.

(c) The taxpayer shall not own assets in excess of \$250,000. For the purposes of this subparagraph, assets shall include the assessed value of the residential property, most recent adjusted gross income, savings and checking accounts, certificates of deposit, IRAs or other qualified retirement accounts, mutual funds, stocks and bonds, and automobiles.

(d) The taxpayer claiming the credit shall provide in the application proof of eligibility which shall include federal and state tax forms, financial institution account statements, and investment and brokerage statements.

III. The maximum amount of credit granted under this section shall not exceed \$8,000 per claimant.

2 Property Tax Credit; Adoption Procedure; Reference Added. Amend the introductory paragraph of RSA 72:27-a, I to read as follows:

I. Any town or city may adopt the provisions of RSA 72:28, RSA 72:29-a, RSA 72:35, RSA 72:37, RSA 72:37-b, RSA 72:38-b, RSA 72:39-a, RSA 72:39-c, RSA 72:62, RSA 72:66, RSA 72:70, or RSA 72:76 in the following manner:

3 Definitions; Reference Added. Amend RSA 72:29, VI to read as follows:

VI. For purposes of RSA 72:28, 29-a, 30, 31, 32, 33, 35, 36-a, 37, 37-a, 37-b, 38-a, 38-b, 39-a, 39-c, 62, 66, and 70, the ownership of real estate, as expressed by such words as "owner", "owned" or "own", shall include those who have equitable title or the beneficial interest for life in the subject property.

4 Property Taxation; Application Procedure; Reference Added. Amend the introductory paragraph of RSA 72:33, I to read as follows:

I. No person shall be entitled to the exemptions or tax credits provided by RSA 72:28, 29-a, 30, 31, 32, 35, 36-a, 37, 37-a, 37-b, 38-b, 39-b, 39-c, 62, 66, and 70 unless the person has filed with the selectmen or assessors, by April 15 preceding the setting of the tax rate, a permanent application therefor, signed under penalty of perjury, on a form

approved and provided by the commissioner of revenue administration, showing that the applicant is the true and lawful owner of the property on which the exemption or tax credit is claimed and that the applicant was duly qualified upon April 1 of the year in which the exemption or tax credit is first claimed, or, in the case of financial qualifications, that the applicant is duly qualified at the time of application. The form shall include the following and such other information deemed necessary by the commissioner:

5 Appeals; Reference Added. Amend RSA 72:34-a to read as follows:

72:34-a Appeal From Refusal to Grant Exemption, Deferral, or Tax Credit. Whenever the selectmen or assessors refuse to grant an applicant an exemption, deferral, or tax credit to which the applicant may be entitled under the provisions of RSA 72:23, 23-d, 23-e, 23-f, 23-g, 23-h, 23-i, 23-j, 23-k, 28, 29-a, 30, 31, 32, 35, 36-a, 37, 37-a, 37-b, 38-a, 38-b, 39-a, 39-b, 39-c, 41, 42, 62, 66, or 70 the applicant may appeal in writing, on or before September 1 following the date of notice of tax under RSA 72:1-d, to the board of tax and land appeals or the superior court, which may order an exemption, deferral, or tax credit, or an abatement if a tax has been assessed.

6 Effective Date. This act shall take effect April 1, 2015.

Bill as
Introduced

HOUSE BILL

129

AN ACT relative to property taxes for residents 65 years of age and older.

SPONSORS:

Rep. Comtois, Belk, 7; Rep. Abramson, Rock, 20

COMMITTEE:

Municipal and County Government

ANALYSIS

This bill enables municipalities to establish a cap on the education property tax for residents aged 65 and older, if the property has been the taxpayer's primary residence for at least 5 years and no school aged child has resided with the taxpayer for the last 5 years.

Explanation:

Matter added to current law appears in *bold italics*.
Matter removed from current law appears ~~[in brackets and struck through]~~
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 Nineteen

AN ACT relative to property taxes for residents 65 years of age and older.

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

1 I New Section; Cap on Education Property Tax; Persons Aged 65 and Older. Amend RSA 72 by

2 inserting after section 39-b the following new section:

3 72:39-c Cap on Education Property Tax for Certain Persons Aged 65 and Older.

4 I. A town or city may adopt or rescind the property tax cap and corresponding credit

5 established under this section by the procedure in RSA 72:27-a.

6 II. A resident taxpayer aged 65 or older who is liable for property taxes for property owned

7 and used as his or her residential real estate, as defined in RSA 72:29, shall be eligible for a cap on

8 the portion of the property tax designated for state and local education if the property has been the

9 taxpayer's primary residence for at least 5 consecutive years preceding April 1 in the year in which

10 the cap is established and no child enrolled in a primary or secondary public school in the state has

11 resided with the taxpayer for at least 5 consecutive years preceding April 1 in the year in which the

12 cap is established. In such cases, any property taxes designated for state or local education which

13 exceed the cap for the taxpayer shall be the amount of the tax credit granted to the taxpayer.

14 2 Property Tax Credit; Adoption Procedure; Reference Added. Amend the introductory

15 paragraph of RSA 72:27-a, I to read as follows:

16 I. Any town or city may adopt the provisions of RSA 72:28, RSA 72:28-b, RSA 72:29-a, RSA

17 72:35, RSA 72:37, RSA 72:37-b, RSA 72:38-b, RSA 72:38-b, RSA 72:39-a, RSA 72:39-c, RSA 72:62, RSA 72:66,

18 RSA 72:70, RSA 72:76, or RSA 72:82 in the following manner:

19 3 Definitions; Reference Added. Amend RSA 72:29, VI to read as follows:

20 VI. For purposes of RSA 72:28, 28-b, 28-c, 29-a, 30, 31, 32, 33, 35, 36-a, 37, 37-a, 37-b, 38-a,

21 39-a, 39-c, 62, 66, and 70, the ownership of real estate, as expressed by such words as "owner,"

22 "owned" or "own," shall include those who have placed their property in a grantor/revocable trust or

23 who have equitable title or the beneficial interest for life in the subject property.

24 4 Property Taxation; Application Procedure; Reference Added. Amend the introductory

25 paragraph of RSA 72:33, I to read as follows:

26 I. No person shall be entitled to the exemptions or tax credits provided by RSA 72:28, 28-b,

27 28-c, 29-a, 30, 31, 32, 35, 36-a, 37, 37-a, 37-b, 38-b, 39-b, 39-c, 62, 66, and 70 unless the person has

28 filed with the selectmen or assessors, by April 15 preceding the setting of the tax rate, a permanent

29 application therefor, signed under penalty of perjury, on a form approved and provided by the

30 commissioner of revenue administration, showing that the applicant is the true and lawful owner of

31 the property on which the exemption or tax credit is claimed and that the applicant was duly

1 qualified upon April 1 of the year in which the exemption or tax credit is first claimed, or, in the
2 case of financial qualifications, that the applicant is duly qualified at the time of application. The
3 form shall include the following and such other information deemed necessary by the commissioner:
4 5 Appeals; Reference. Amend RSA 72:34-a to read as follows:
5 72:34-a Appeal From Refusal to Grant Exemption, Deferral, or Tax Credit. Whenever the
6 selectmen or assessors refuse to grant an applicant an exemption, deferral, or tax credit to which
7 the applicant may be entitled under the provisions of RSA 72:23, 23-d, 23-e, 23-f, 23-g, 23-h, 23-i,
8 23-j, 23-k, 28, 28-b, 28-c, 29-a, 30, 31, 32, 35, 36-a, 37, 37-a, 37-b, 38-a, 38-b, 39-a, 39-b, 39-c, 41, 42,
9 62, 66, or 70 the applicant may appeal in writing, on or before September 1 following the date of
10 notice of tax under RSA 72:1-d, to the board of tax and land appeals or the superior court, which
11 may order an exemption, deferral, or tax credit, or an abatement if a tax has been assessed.
12 6 Effective Date. This act shall take effect April, 1, 2020.