

Committee Report

CONSENT CALENDAR

March 8, 2021

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

**The Committee on Municipal and County Government
to which was referred HB 486-FN,**

**AN ACT relative to eligibility for the low and moderate
income homeowners property tax relief. Having
considered the same, report the same with the
recommendation that the bill OUGHT TO PASS.**

Rep. Richard Tripp

FOR THE COMMITTEE

COMMITTEE REPORT

Committee:	Municipal and County Government
Bill Number:	HB 486-FN
Title:	relative to eligibility for the low and moderate income homeowners property tax relief.
Date:	March 8, 2021
Consent Calendar:	CONSENT
Recommendation:	OUGHT TO PASS

STATEMENT OF INTENT

This bill is an update to the NH Department of Revenue low and moderate income homeowners property tax relief program. This program is used to rebate a portion or all of the property owner's statewide education property taxes. The bill amends RSA 198:57 to increase the household income eligibility, property assessment and tax relief percentage amounts. When originated in 2002, 10% of NH homeowners were eligible for the property tax relief. Last year only 1.5% were eligible for the relief because they exceeded the low-income criteria. The change this bill makes brings the income and assessed value amounts up to par and makes it possible for low-income homeowners to once again qualify for the statewide education property tax relief.

Vote 19-0.

Rep. Richard Tripp
FOR THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

CONSENT CALENDAR

Municipal and County Government

HB 486-FN, relative to eligibility for the low and moderate income homeowners property tax relief.
OUGHT TO PASS.

Rep. Richard Tripp for Municipal and County Government. This bill is an update to the NH Department of Revenue low and moderate income homeowners property tax relief program. This program is used to rebate a portion or all of the property owner's statewide education property taxes. The bill amends RSA 198:57 to increase the household income eligibility, property assessment and tax relief percentage amounts. When originated in 2002, 10% of NH homeowners were eligible for the property tax relief. Last year only 1.5% were eligible for the relief because they exceeded the low-income criteria. The change this bill makes brings the income and assessed value amounts up to par and makes it possible for low-income homeowners to once again qualify for the statewide education property tax relief. **Vote 19-0.**

Original: House Clerk
Cc: Committee Bill File

Voting Sheets

HOUSE COMMITTEE ON MUNICIPAL AND COUNTY GOVERNMENT

EXECUTIVE SESSION on HB 486-FN

BILL TITLE: relative to eligibility for the low and moderate income homeowners property tax relief.

DATE: March 3, 2021

LOB ROOM: Hybrid

MOTIONS: OUGHT TO PASS

Moved by Rep. Tripp

Seconded by Rep. McBride

Vote: 19-0

CONSENT CALENDAR: YES

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep John MacDonald, Clerk



2021 SESSION

Municipal and County Government

HB 486 FN

Bill #: _____ Motion: OTP AM #: _____ Exec Session Date: 3/1/21

<u>Members</u>	<u>YEAS</u>	<u>Nays</u>	<u>NV</u>
Dolan, Tom Chairman	19		
Piemonte, Tony Vice Chairman	1		
MacDonald, John T. Clerk	2		
Tripp, Richard P.	3		
Guthrie, Joseph A.	4		
Lascelles, Richard W.	5		
McBride, Everett P.	6		
Melvin, Charles R.	7		
Ayer, Paul F. <i>LANG</i>	8		
Pauer, Diane	9		
Porter, Marjorie A.	10		
Treleaven, Susan GS	11		
Gilman, Julie D. <i>Pimentel</i>	12		
Maggiore, Jim V.	13		
Stavis, Laurel	14		
Mangipudi, Latha D.	15		
Vann, Ivy C.	16		
Klee, Patricia S.	17		
Gallager, Eric B.	18		
TOTAL VOTE:	19	0	

Public Hearing

HOUSE COMMITTEE ON MUNICIPAL AND COUNTY GOVERNMENT

PUBLIC HEARING ON HB 486-FN

BILL TITLE: relative to eligibility for the low and moderate income homeowners property tax relief.

DATE: March 1, 2021

LOB ROOM: Hybrid **Time Public Hearing Called to Order:** 1:25 p.m.

Time Adjourned: 1:45 p.m.

Committee Members: Reps. Dolan, Piemonte, J. MacDonald, Tripp, Guthrie, Lascelles, McBride, Melvin, Pauer, Porter, Treleaven, Maggiore, Stavis, Mangipudi, Vann, Klee and Gallagher

Bill Sponsors:

Rep. Fellows

Rep. Walz

Rep. Adjutant

Rep. Gordon

TESTIMONY

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

***Rep. Sally Fellows** - Prime sponsor of the bill. Written testimony. Supports the bill. Shrinking size of the debate amount \$183.00 last year, this year \$160 dollars. Single home owner with a below income of \$12,500. Married couple \$25,000. Property value \$100,000 dollars. Meaningful property tax relief. 10% rebates at the beginning - 1.5% rebates today.

Rep. Porter: Same bill presented to the committee last year? ANS: Same bill presented two years ago with adjustments made.

Rep. Mangipudi: We are raising the property taxes and shifting the burden? ANS: This bill only applies to the statewide property tax. One of the reasons the rebate is going down is due to the value of the property going up.

Rep. Pimentel: Is this a program with the state? ANS: Yes, this is a property tax by the state. In response to a lawsuit. It becomes part of the education adequacy money.

***Jeff McLynch, NH School Funding Fairness Project** - Written testimony submitted. Supports the bill. This will aid NH home owners. Consistent with the commission studying NH school funding. HB 486 will put money in the pockets of people struggling.

Rep. Porter: When a taxpayer applies, it does not affect the school funding? ANS: That is correct. It won't have an affect on the school budgets.

Respectfully submitted,

Rep. John MacDonald
Clerk

House Remote Testify

Municipal and County Government Committee Testify List for Bill HB486 on 2021-03-01

Support: 99 Oppose: 3 Neutral: 0 Total to Testify: 3

Export to Excel

<u>Name</u>	<u>City, State</u> <u>Email Address</u>	<u>Title</u>	<u>Representing</u>	<u>Position</u>	<u>Testifying</u>	<u>Non-Germane</u>	<u>Signed Up</u>
Caplan, Tony	Henniker, NH anthonycaplan1@gmail.com	An Elected Official	Merrimack 6	Support	Yes (3m)	No	2/28/2021 12:23 PM
McLynch, Jeff	Concord, NH jmclynch@fairfundingnh.org	A Lobbyist	NH School Funding Fairness Project	Support	Yes (2m)	No	2/23/2021 9:41 AM
Fellows, Sallie	Holderness, NH sallie.fellows@leg.state.nh.us	An Elected Official	Myself	Support	Yes (10m)	No	2/27/2021 3:04 PM
Vogt, Robin	Portsmouth, NH robin.w.vogt@gmail.com	A Member of the Public	Myself	Support	No	No	2/27/2021 3:28 PM
Willing, Maura	Concord, NH Maura.Willing@Comcast.net	A Member of the Public	Myself	Support	No	No	2/28/2021 1:09 PM
Prohl, Maureen F.	Elkins, NH rmprohl@comcast.net	A Member of the Public	Myself	Support	No	No	2/28/2021 6:44 AM
Casino, Joanne	Concord, NH joannecasino@comcast.net	A Member of the Public	Myself	Support	No	No	2/28/2021 10:27 AM
Groetzinger, Tonda	Farmington, NH groetzinger6@aol.com	A Member of the Public	Myself	Support	No	No	2/28/2021 10:32 AM
Bruce, Susan	Concord, NH susanb.red@mac.com	A Member of the Public	Myself	Support	No	No	2/28/2021 11:08 AM
Platt, Elizabeth-Anne	CONCORD, NH lizanneplatt09@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 11:10 AM
King, Walter	Dover, NH genedocwk@comcast.net	A Member of the Public	Myself	Support	No	No	2/28/2021 11:12 AM
Myers, Patrice	Concord, NH 2009awsn@gmail.com	A Member of the Public	Myself	Support	No	No	2/23/2021 7:15 PM
Bavicchi, Janet	New London, NH Bavick@comcast.net	A Member of the Public	Myself	Support	No	No	2/26/2021 8:48 AM

Day, Karen	Greenfield, NH riverqueen@pobox.com	A Member of the Public	Myself	Support	No	No	2/26/2021 8:51 AM
Nute, Dana	Sanbornton, NH dnute@resilientbuildingsgroup.com	A Member of the Public	Myself	Support	No	No	2/26/2021 9:02 AM
luther, tom	claremont, NH 3pb9ha6fsssc@opayq.com	A Member of the Public	Myself	Oppose	No	No	2/26/2021 8:51 AM
Josephson, Timothy	Canaan, NH josephsonth@gmail.com	A Member of the Public	Myself	Support	No	No	2/26/2021 11:39 AM
Myers,Carolynn	Littleton, NH Carolynn.myers@gmail.com	A Member of the Public	Myself	Support	No	No	2/26/2021 11:58 AM
Hatcher, Karen	Peterborough, NH Kmelito@gmail.com	A Member of the Public	Myself	Support	No	No	2/26/2021 2:17 PM
Vincent, Laura	Loudon, NH lvlauravincen5@gmail.com	An Elected Official	Myself	Support	No	No	2/26/2021 8:55 PM
Damon, Claudia	Concord, NH cordsdamon@gmail.com	A Member of the Public	Myself	Support	No	No	2/27/2021 10:14 AM
Smith, Bruce	Surry, NH surrsmith1953@gmail.com	A Member of the Public	Myself	Support	No	No	2/27/2021 1:29 PM
Kudlik, Cindy	Grafton, NH cindykudlik@protonmail.com	An Elected Official	Myself	Oppose	No	No	2/21/2021 9:14 PM
Hamer, Heidi	Manchester, NH hhamer59@aol.com	An Elected Official	Myself	Support	No	No	2/28/2021 12:34 PM
Zaenglein, Barbara	Amherst, NH bzaenglein@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 12:39 PM
Zaenglein, Eric	Amherst, NH henley11@comcast.net	A Member of the Public	Myself	Support	No	No	2/28/2021 12:40 PM
QUISUMBING-KING, Cora	Dover, NH coraq@comcast.net	A Member of the Public	Myself	Support	No	No	2/28/2021 12:45 PM
FRIEDRICH, ED	LOUDON, NH erfriedrich@yahoo.com	A Member of the Public	Myself	Support	No	No	2/28/2021 12:45 PM
Schmidt, Jan	Nashua, NH tesha4@gmail.com	An Elected Official	Myself	Support	No	No	2/28/2021 1:29 PM
Tilli-Pauling, Marianne	Amherst, NH m.tillipauling@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 2:02 PM
Tilli-Pauling, Nigel	Amherst, NH Nijpauling@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 2:15 PM

Parshall, Lucius	Marlborough, NH lucius.parshall@leg.state.nh.us	An Elected Official	Myself	Support	No	No	2/28/2021 2:19 PM
Pugh, Barbara	Amherst, NH Barbara.pugh@comcast.net	A Member of the Public	Myself	Support	No	No	2/28/2021 2:20 PM
Telerski, Laura	Nashua, NH Laura.Telerski@Leg.State.NH.US	An Elected Official	Hillsborough 35	Support	No	No	2/28/2021 2:58 PM
Fordey, Nicole	Litchfield, NH nikkif610@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 3:19 PM
Campbell, Kay	Epsom, NH kkcampbell43@yahoo.com	A Member of the Public	Myself	Oppose	No	No	2/28/2021 3:25 PM
Richards, Martha	HOLDERNESS, NH maplerichards@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 3:33 PM
Tanner, Linda	Sunapee, NH reptanner@gmail.com	An Elected Official	Myself	Support	No	No	2/28/2021 4:27 PM
Cornell, Patricia	Manchester, NH Cornell49@Comcast.net	An Elected Official	Myself	Support	No	No	2/28/2021 4:35 PM
Smiley, Julie	Amherst, NH smilesjusa@yahoo.com	A Member of the Public	Myself	Support	No	No	2/28/2021 4:47 PM
Nelson, Elizabeth	Derry, NH BethDavid@comcast.net	A Member of the Public	Myself	Support	No	No	2/28/2021 5:05 PM
Frost, Sherry	Dover, NH sherry.frost@leg.state.nh.us	An Elected Official	Myself	Support	No	No	2/28/2021 5:34 PM
Bartlett, Rep Christy	Concord, NH christydbartlett@gmail.com	An Elected Official	Merrimack 19	Support	No	No	2/28/2021 5:38 PM
Meuse, David	Portsmouth, NH David.Meuse@leg.state.nh.us	An Elected Official	Rockingham 29	Support	No	No	2/28/2021 6:16 PM
Torpey, Jeanne	Concord, NH jtorp51@comcast.net	A Member of the Public	Myself	Support	No	No	2/28/2021 6:23 PM
Arnold, Neil	Marlborough, NH krisarn@myfairpoint.net	A Member of the Public	Myself	Support	No	No	2/28/2021 7:04 PM
DeMark, Richard	Meredith, NH demarknh114@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 7:04 PM
Jakubowski, Deborah	Loudon, NH Dendeb146@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 7:08 PM
Stevens, Representative Deb	Nashua, NH debstevens4ward7@gmail.com	An Elected Official	My 10K constituents	Support	No	No	2/28/2021 7:13 PM

Larson, Ruth	Alton, NH ruthlarson@msn.com	A Member of the Public	Myself	Support	No	No	2/28/2021 7:14 PM
jakubowski, dennis	Loudon, NH dendeb146@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 7:19 PM
Perry, Brenda	Amherst, NH Bmperry@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 7:32 PM
Grassie, Chuck	Rochester, NH chuck.grassie@leg.state.nh.us	An Elected Official	Strafford 11	Support	No	No	2/28/2021 7:42 PM
Dewey, Karen	Newport, NH pkdewey@comcast.net	A Member of the Public	Myself	Support	No	No	2/28/2021 8:00 PM
Almy, Susan	Lebanon, NH susan.almy@comcast.net	An Elected Official	Myself	Support	No	No	2/28/2021 8:13 PM
Taylor, Gale	Concord, NH galeforcefacilitators@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 8:20 PM
Taylor, James	Concord, NH James.Taylor.nh@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 8:21 PM
Jachim, Nancy	Newport, NH nancyjachim@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 8:26 PM
Gordon, Laurie	Weare, NH Lmgord23@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 8:36 PM
Hayes, Randy	Canterbury, NH rcompostr@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 8:50 PM
Taylor, Frances	Holderness, NH Flht5@juno.com	A Member of the Public	Myself	Support	No	No	2/28/2021 9:03 PM
Perencevich, Ruth	Concord, NH rperence@comcast.net	A Member of the Public	Myself	Support	No	No	2/28/2021 9:04 PM
Spencer, Louise	Concord, NH lpskentstreet@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 9:10 PM
Spencer, Rob	Concord, NH kentstusa@aol.com	A Member of the Public	Myself	Support	No	No	2/28/2021 9:11 PM
Falk, Cheri	Wilton, NH Falk.cj@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 9:12 PM
Brennan, Nancy	Weare, NH burningnan14@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 9:59 PM
Pedersen, Michael	Nashua, NH PedersenUSA@aim.com	An Elected Official	Hillsborough 32	Support	No	No	2/28/2021 10:13 PM

barnes, ken	hopkinton, NH kbarnes@kenbarneslaw.com	A Member of the Public	Myself	Support	No	No	2/28/2021 10:14 PM
Dontonville, Roger	Enfield, NH rdontonville@gmail.com	An Elected Official	Myself	Support	No	No	2/28/2021 10:31 PM
Donnelly, Ryan	Hudson, NH rdonnelly@gsil.org	A Lobbyist	Granite State Independent Living	Support	No	No	2/28/2021 11:09 PM
st.martin, tom	candia, NH rockygorgenh@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 11:29 PM
Stinson, Benjamin	Concord, NH benrkstinson@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 11:31 PM
Hinebauch, Mel	Concord, NH melhinebauch@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 11:42 PM
Rettew, Annie	CONCORD, NH abrettew@gmail.com	A Member of the Public	Myself	Support	No	No	2/28/2021 11:53 PM
Greenwood, Nancy	Concord, NH nancgreenwood@yahoo.com	A Member of the Public	Myself	Support	No	No	3/1/2021 6:21 AM
Gibbs, Elizabeth	Newport, NH Chezedg@yahoo.com	A Member of the Public	Myself	Support	No	No	3/1/2021 6:42 AM
Spielman, Kathy	Durham, NH jspielman@comcast.net	A Member of the Public	Myself	Support	No	No	3/1/2021 7:25 AM
St Germain, Diane	Bedford, NH diane.stgermain33@gmail.com	A Member of the Public	Myself	Support	No	No	3/1/2021 7:15 AM
McNamee, Brigid	Concord, NH brigidmcnamee@yahoo.com	A Member of the Public	Myself	Support	No	No	3/1/2021 7:15 AM
Spielman, James	Durham, NH jspielman@comcast.net	A Member of the Public	Myself	Support	No	No	3/1/2021 7:30 AM
Bergevin, Leslie	Loudon, NH Leslie.bergevin@gmail.com	A Member of the Public	Myself	Support	No	No	3/1/2021 7:32 AM
Briggs, Ronald	Concord, NH Rongb1950@gmail.com	A Member of the Public	Myself	Support	No	No	3/1/2021 7:36 AM
Ellermann, Maureen	CONCORD, NH ellermannf@aol.com	A Member of the Public	Myself	Support	No	No	3/1/2021 7:38 AM
Garen, June	Gilmanton, NH jzanesgaren@gmail.com	A Member of the Public	Myself	Support	No	No	3/1/2021 7:41 AM
Clark, Denise	Milford, NH denise.m.clark03055@gmail.com	A Member of the Public	Myself	Support	No	No	3/1/2021 7:45 AM

Petruccelli, Maxine	Webster, NH maxinepet@gmail.com	A Member of the Public	Myself	Support	No	No	3/1/2021 7:47 AM
Petruccelli, Charles	Webster, NH chasmaxpet@gmail.com	A Member of the Public	Myself	Support	No	No	3/1/2021 7:48 AM
Hayden, Sam	Hopkinton, NH hayden.sam@gmail.com	A Member of the Public	Myself	Support	No	No	3/1/2021 8:01 AM
Newton, Jay	Gilford, NH Jjnewt@gmail.com	A Member of the Public	Myself	Support	No	No	3/1/2021 8:14 AM
Lucas, Janet	Campton, NH janluca1953@gmail.com	A Member of the Public	Myself	Support	No	No	3/1/2021 8:17 AM
Straiton, Marie	Pembroke, NH m.straiton@comcast.net	A Member of the Public	Myself	Support	No	No	3/1/2021 8:41 AM
Waterman, Raymond	Merrimack, NH prwaterman@aol.com	A Member of the Public	Myself	Support	No	No	3/1/2021 9:07 AM
Carter, Lilian	Deering, NH lcarter0914@gmail.com	A Member of the Public	Myself	Support	No	No	3/1/2021 9:07 AM
Waterman, Patricia	Merrimack, NH prwaterman@aol.com	A Member of the Public	Myself	Support	No	No	3/1/2021 9:08 AM
Ford, Debra	Enfield, NH dford@mvrdsd.org	A Member of the Public	SAU 62 Mascoma School District	Support	No	No	3/1/2021 9:12 AM
Blanchard, Sandra	Loudon, NH sandyblanchard3@gmail.com	A Member of the Public	Myself	Support	No	No	3/1/2021 9:39 AM
Jones, Andrew	Pembroke, NH arj11718@yahoo.com	A Member of the Public	Myself	Support	No	No	3/1/2021 11:20 AM
Keeler, Margaret	New London, NH peg5keeler@gmail.com	A Member of the Public	Myself	Support	No	No	3/1/2021 1:18 PM
Moyer, Donald	HILL, NH mdonnh@gmail.com	A Member of the Public	Myself	Support	No	No	3/1/2021 1:43 PM
Levesque, Cassandra	Barrington, NH cassandra.levesque@leg.state.nh.us	An Elected Official	Myself	Support	No	No	3/1/2021 4:51 PM
Hamblet, Joan	Portsmouth, NH joan.hamblet@leg.state.nh.us	A Member of the Public	Myself	Support	No	No	3/1/2021 5:30 PM
Robbins, Ashley	Milton, NH Ashleylincoln@gmail.com	A Member of the Public	Myself	Support	No	No	3/1/2021 5:41 PM

Testimony

Archived: Thursday, April 22, 2021 9:05:41 AM
From: Jeff McLynch
Sent: Monday, March 1, 2021 9:01:58 AM
To: ~House Municipal and County Govt
Cc: Christina Dyer
Subject: Testimony on HB 486
Importance: Normal
Attachments:
McLynch Testimony on HB 486 - FINAL.pdf ;

Members of the Municipal and County Government Committee:

Attached, in advance of this morning's hearing, please find the prepared testimony of the NH School Funding Fairness Project on HB 486. If you should have any questions about this testimony, I'd be happy to try to answer them.

Thank you –

Jeff

Jeff McLynch
Project Director



PO BOX 921 • CONCORD, NH 03302
603.945.9988 OFFICE • 617.835.1421 CELL
FAIRFUNDINGNH.ORG

Archived: Thursday, April 22, 2021 9:05:41 AM
From: [Sallie Fellows](#)
Sent: Saturday, February 27, 2021 2:40:05 PM
To: ~[House Municipal and County Govt](#)
Subject: HB 486 Low & Mod State Property Tax Rebate
Importance: Normal
Attachments:

[HB 486 Low & Mod SWEPT Rebate Rep Fellows.pdf](#)  [M Rebate Payment History.pdf](#) 

Chairman Dolan and Committee Members,

As prime sponsor, I look forward to speaking with you Monday morning and answering your questions. I have attached a copy of my testimony as well as a sheet from DRA that shows the history of the utilization of this program.

Those of you who were on M & C last term may remember a similar bill. This is the same bill except I have updated the income and home value caps to be consistent with the latest Census Bureau income and home value data, and have use a new estimate of the state education property tax rate.

Rep. Sallie Fellows

Rep. Sallie Fellows

Feb. 29, 2021

HB 486 Low and Moderate Income Homeowners Property Tax Relief

The Low and Moderate Income Homeowners Property Tax Relief program provides Statewide Education Property Tax (SWEPT) rebates to low-income homeowners. Recipients pay their full property tax bill to their tax collector, then they send a rebate application to the State Department of Revenue Administration (DRA) and receive a check from the State. This program has no impact on local taxes and is not related to local tax exemption programs.

This is an important program intended to help low-income people, many of whom are senior citizens, remain in their homes, but it is in danger of disappearing. In the program's first year (rebates for 2003 tax bills) 27,000 households received \$7.5 million in rebates. Since then, participation has slowly dropped by 80%. In 2019, 6,900 people received \$1.1 million, and in 2020 5,800 people received less than \$900,000.

One reason for the decline in participation is the shrinking size of rebate amounts. Eighteen years ago, the maximum rebate was almost \$500, with an average rebate of \$280. Last year the maximum was \$183 (64% less), and the average rebate was \$152. By next year, the maximum will be around \$160.

The maximum rebate has shrunk because the state's tax base (the value of all the real estate) has grown, while the amount raised from SWEPT is set by statute at \$363 million. This has caused the tax RATE to drop, but doesn't mean SWEPT property tax BILLS have gone down. Since property values have nearly doubled, homeowner tax bills for SWEPT have remained about the same. Rebates have shrunk, because the rebate is limited to the first \$100,000 of home value.

Participation has also dropped because fewer people now have incomes below the caps set in 2002. The only people who can get the maximum rebate are single homeowners with an annual adjusted gross income below \$12,500 or a multi-person household with an income below \$25,000. People with higher incomes received 60%, 40% or 20% of the maximum.

Participation and rebate amounts will continue to drop unless the income limits are updated, and the property value cap is raised. Without a change, the maximum rebate on 2021 tax bills will be around \$160. The updates in this bill will increase the maximum rebate to about \$350 and make more people eligible.

I hope you believe as I do that helping low-income people, particularly seniors, stay in their homes is important, and you will look favorably upon this bill.

Low and Moderate Income Homeowners Property Tax Relief Historical Claims Data

The Low and Moderate Income Homeowners Property Tax Relief program (RSA 198:56-57) was designed to lessen the economic burden of the Education Property Tax on certain at-risk taxpayers.

Eligible claimants apply for relief to the New Hampshire Department of Revenue using Form DP-8. Claimants must include a copy of their final property tax bill and federal income tax return for the claim year and any additional documentation as required by law. Completed Forms DP-8 must be postmarked no earlier than May 1, and no later than June 30 following the due date of the final property tax bill.

Claim Year *	Claims Granted	Total Relief Paid
2003	27,208	\$7.5 million
2004	25,059	\$4.9 million
2005	22,381	\$3.9 million
2006	19,570	\$3.3 million
2007	18,579	\$3.1 million
2008	17,600	\$3.1 million
2009	16,066	\$3.1 million
2010	12,100	\$2.3 million
2011	11,622	\$2.3 million
2012	11,674	\$2.3 million
2013	10,222	\$2.0 million
2014	9,414	\$1.8 million
2015	8,541	\$1.6 million
2016	7,938	\$1.4 million
2017	7,258	\$1.2 million
2018	6,865	\$1.1 million

2019

5,818

\$0.9

* The claim year corresponds with the taxable period, starting April 1st, for the property tax bill from which relief is being sought.



**Testimony of Jeff McLynch,
Project Director, NH School Funding Fairness Project, on HB 486
before the House Municipal and County Government Committee,
Monday, March 1, 2021**

Chairman Dolan, Representative Porter, Members of the Committee, thank you for the opportunity to appear before you this morning.

For the record, my name is Jeff McLynch and I am the Project Director of the New Hampshire School Funding Fairness Project (NHSFFP), a nonprofit organization that seeks to educate citizens and policymakers about the system New Hampshire uses to fund its public schools, to build awareness of the shortcomings of that system, and to advocate for changes in law to make that system more equitable for students and taxpayers alike.

As HB 486 would make real progress in improving taxpayer equity, NHSFFP strongly supports the bill and urges the Committee to recommend it as ought to pass.

As the members of this Committee are aware, one can not discuss New Hampshire's tax system without talking about the property tax. Indeed, the property tax is far and away the largest tax collected in New Hampshire, generating close to \$4 billion to support state and local public services in 2019, well in excess of any other form of taxation levied in the state. Unsurprisingly, New Hampshire's property tax levels, whether measured on a per capita basis or relative to the size of its economy, consistently rank it among the highest – if not the very highest – among the fifty states.

Yet, the property tax is also an unfair tax, as it places far greater responsibility on low- and moderate-income taxpayers than it does on more affluent ones. According to data from the Institute on Taxation and Economic Policy, the poorest 20 percent of New Hampshire households (i.e. households with incomes under \$26,700) paid 6.2 percent of their incomes in property taxes in 2018. In stark contrast, the wealthiest 1 percent of households, each of which enjoyed an income in excess of \$514,900, paid an effective property tax rate of just 1.9 percent.

Despite its heavy reliance on the property tax and, in turn, that tax's heavy toll on the least well-off, New Hampshire does precious little to mitigate the impact of the tax on those struggling to make ends meet. The state's principal approach to property tax relief – the Low- and Moderate-Income Homeowners Property Tax Relief program – has all but evaporated in recent years. In 2003, the program provided roughly \$7.5 million in property tax relief to over 27,000 Granite State households; by 2018, those figures had dwindled to fewer than 7,000 households receiving a total of just \$1.1 million in rebates – even as property taxes continued to climb.

HB 486 seeks to reverse that trend and to aid New Hampshire homeowners facing financial hardship. More specifically, if enacted into law, HB 486 would increase both the number of homeowners eligible to participate in the Low- and Moderate Income Property Tax Relief Program and the value of the rebates they would receive. It would raise the income thresholds for the program – which have not been adjusted since its inception nearly two decades ago – to allow single homeowners with incomes under \$37,000 and married couples with incomes less than \$47,000 to take part. It would also raise the limit on the amount of assessed value used to determine homeowner rebates from \$100,000 to \$220,000.

In bolstering property tax relief, HB 486 is consistent with one of the key recommendations offered by the recent Commission to Study School Funding. As members of the Committee may know, that Commission met for much of last year, despite the pandemic, and received hours of input from school finance officials, tax administrators, academic experts, and members of the public. They examined New Hampshire’s school property tax system at length and, after doing so, recommended that, among other changes:

“The state should enhance taxpayer equity through property tax relief targeted to homeowners and renters through a low- and moderate-income property tax relief program. This program should include updated limits to income, home value, and net worth, and be satisfactorily funded by the state.”

Finally, at the present time, the House of Representative is actively considering changes in tax law intended to spur economic growth and to ease the difficult economic situations many families now face due to the pandemic. Any effort to use New Hampshire’s tax system to achieve those ends should start with property tax relief efforts along the lines of HB 486. HB 486 would put money in the pockets of Granite Staters still coping with the economic consequences of the pandemic and, thus, allow them to shop and spend at local businesses striving to remain open. **For these reasons, I once again urge the Committee to recommend HB 486 as ought to pass.** I look forward to working with the members of the Committee to make New Hampshire’s tax system more fair for everyone and would be happy to answer any questions you may have.

Bill as
Introduced

HB 486-FN - AS INTRODUCED

2021 SESSION

21-0602

10/05

HOUSE BILL **486-FN**

AN ACT relative to eligibility for the low and moderate income homeowners property tax relief.

SPONSORS: Rep. Fellows, Graf. 8; Rep. Walz, Merr. 23; Rep. Adjutant, Graf. 17; Rep. Gordon, Graf. 9

COMMITTEE: Municipal and County Government

ANALYSIS

This bill increases the income and property value criteria for claimants of the low and moderate income homeowners property tax relief against statewide education property taxes.

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 Twenty One

AN ACT relative to eligibility for the low and moderate income homeowners property tax relief.

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

1 1 Low and Moderate Income Homeowners Property Tax Relief; Statewide Education Property
2 Tax; Income and Property Criteria. Amend RSA 198:57, III and IV to read as follows:

3 III. An eligible tax relief claimant is a person who:

4 (a) Owns a homestead or interest in a homestead subject to the education tax;

5 (b) Resided in such homestead on April 1 of the year for which the claim is made, except
6 such persons as are on active duty in the United States armed forces or are temporarily away from
7 such homestead but maintain the homestead as a primary domicile; and

8 (c) Realizes total household income of:

9 (1) [~~\$20,000~~] **\$37,000** or less if a single person;

10 (2) [~~\$40,000~~] **\$47,000** or less if a married person or head of a New Hampshire
11 household.

12 IV. All or a portion of an eligible tax relief claimant's state education property taxes, RSA
13 76:3, shall be rebated as follows:

14 (a) Multiply the total local assessed value of the claimant's property by the percentage of
15 such property that qualifies as the claimant's homestead;

16 (b) Multiply [~~\$100,000~~] **\$220,000** by the most current local equalization ratio as
17 determined by the department of revenue administration;

18 (c) Multiply the lesser of the amount determined in subparagraph (a) or (b) by the
19 education tax rate as shown on the tax bill under RSA 76:11-a;

20 (d) Multiply the product of the calculation in subparagraph (c) by the following
21 percentage as applicable to determine the amount of tax relief available to the claimant:

22 (1) If a single person and total household income is:

23 (A) less than [~~\$12,500~~] **\$23,100**, 100 percent;

24 (B) [~~\$12,500~~] **\$23,100** but less than [~~\$15,000~~] **\$27,800**, 60 percent;

25 (C) [~~\$15,000~~] **\$27,800** but less than [~~\$17,500~~] **32,400**, 40 percent; or

26 (D) [~~\$17,500~~] **\$32,400** but less than or equal to [~~\$20,000~~] **\$37,000**, 20 percent.

27 (2) If a head of a New Hampshire household or a married person and total household
28 income is:

29 (A) less than [~~\$25,000~~] **\$29,400**, 100 percent;

30 (B) [~~\$25,000~~] **\$29,400** but less than [~~\$30,000~~] **\$35,300**, 60 percent;

HB 486-FN - AS INTRODUCED

- Page 2 -

1 (C) [~~\$30,000~~] **\$35,300** but less than [~~\$35,000~~] **\$41,100**, 40 percent; or

2 (D) [~~\$35,000~~] **\$41,100** but less than or equal to [~~\$40,000~~] **\$47,000**, 20 percent.

3 (e) The amount determined by subparagraph (d) is the allowable tax relief in any year.

4 2 Application. RSA 198:57 as amended by section 1 of this act shall apply to statewide
5 education property taxes assessed on and after April 1, 2021.

6 3 Effective Date. This act shall take effect 60 days after its passage.

**HB 486-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to eligibility for the low and moderate income homeowners property tax relief.

FISCAL IMPACT: State County Local None

STATE:	Estimated Increase / (Decrease)			
	FY 2021	FY 2022	FY 2023	FY 2024
Appropriation	\$0	\$0	\$0	\$0
Revenue	\$0	\$0	\$0	\$0
Expenditures	\$0	Indeterminable Increase	Indeterminable Increase	Indeterminable Increase
Funding Source:	<input type="checkbox"/> General	<input checked="" type="checkbox"/> Education	<input type="checkbox"/> Highway	<input type="checkbox"/> Other

METHODOLOGY:

This bill makes the following modifications to the Low and Moderate Income Homeowner Property Tax Relief program:

- 1) increases the household income amounts for both single and married persons eligible for the program;
- 2) increases the claimant's minimum homestead amount multiplied by the applicable local equalization ratio from \$100,000 to \$282,000; and
- 3) increases the single person and total household income amounts used to determine the percentage of the tax relief rebate to be made available to the claimant.

The Department of Revenue Administration is unable to determine the impact this bill will have on State expenditures due to not possessing all the necessary information. The Department anticipates the increase in the income thresholds and maximum qualifying homestead values will result in more claimants seeking tax relief and an increase in relief amounts under this bill. Therefore, an increase in rebates being paid from the education trust fund will occur by an indeterminable amount. This indeterminable increase in state expenditures would require additional appropriations to pay these additional claims beginning in FY22.

The Department of Revenue Administration was appropriated \$1,750,000 in FY20 and \$1,750,000 in FY21 for the Low and Moderate Income Homeowner Property Tax Relief program. It is assumed this bill will be effective July 1, 2021.

AGENCIES CONTACTED:

Department of Revenue Administration