



New Hampshire Senate

News Release

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Media Contact:

Kate Giaquinto

kate.giaquinto@leg.state.nh.us

(603) 271-3043

Boutin's bill to protect leases from real estate tax signed into law

Concord, NH - A year-long effort by Senator David Boutin (R-Hooksett) to protect New Hampshire businesses from unauthorized taxes recently succeeded. Boutin sponsored SB 232 to protect leases from the Real Estate Transfer Tax, which the Department of Revenue Administration started applying to commercial ground leases without legislative approval.

"The Real Estate Transfer Tax applies to the sale of real property, and was never meant to apply to leases shorter than 99 years," Boutin said. "This law clarifies the long-standing intent of the Legislature, and reverses the ill-conceived attempt by the DRA to rewrite New Hampshire's tax code."

DRA Commissioner John Beardmore last summer sought a change in Administrative Rules to allow collection of taxes on commercial ground leases, even though the tax had never been applied that way. Faced with opposition from Sen. Boutin and other members of the Legislature, Beardmore withdrew the request and instead claimed that he already had authorization to levy the tax on leases. Boutin has been working since last summer to clarify the law, and protect New Hampshire businesses from a tax that was never approved by the Legislature.

SB 232 was approved 23-0 by the Senate and sailed through the House on a voice vote before Governor Hassan signed it into law last week.

"This unauthorized tax in commercial leases would have added a drag on our economic recovery, and undermined confidence in the stability and fairness of New Hampshire's tax code," Boutin added.

"Passing this taxpayer protection into law reassures our business owners that they will not find any surprises in their tax bill."

[CHAPTER 255 - SB 232-FN-A – FINAL VERSION](#)

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