

Senate Ways and Means Committee

Sonja Caldwell 271-2117

SB 79, relative to taxation of historic residential structures.

Hearing Date: January 25, 2017

Members of the Committee Present: Senators Sanborn, Daniels, D'Allesandro and Feltes

Members of the Committee Absent : Senator Giuda

Bill Analysis: This bill enables municipalities to reduce the assessed value of qualifying historic residential structures based on an analysis completed by an architectural historian.

Sponsors:

Sen. Carson

Rep. Packard

Rep. Lundgren

Rep. McKinney

Rep. Bove

Who supports the bill: Sen. Carson, Sen. Watters, David Colglazier (Londonderry Heritage & Historic District Commission, Rep. Sherm Packard)

Who opposes the bill: No one

Who is neutral on the bill: Elizabeth Muzzey (DCR - Historical Resources)

Summary of testimony presented:

Elizabeth Muzzey Historical Resources Division Director

- Last session, the division testified in regard to a similar bill, SB443. It sought to grant tax relief for owners of historical properties.
- The division receives calls daily from owners looking for financial relief or incentive to preserve their homes.
- There are incentives to help owners of other types of properties but nothing exists for the average private homeowner who owns a historical home.
- This helps not only the homeowners but the communities as well.
- She has concerns with details in the bill, particularly the definitions and the ways the program would be implemented.

Sen. Sanborn asked her to provide her concerns/suggestions for improvement in writing.

Sen. Daniels asked why we go to the depth we do in establishing the standards and assessment process. He asked why we wouldn't leave it up to the local community to decide if they want to do this or not. He thinks the legislation is overkill. He thinks the communities should be able to decide what percentage or standards they want to use.

Ms. Muzzey said that would be an option and added that there are more simplified models than what is presented in this bill.

David Colglazier – secretary for Londonderry heritage commission.

- They established a listing of historic properties in Londonderry. Owners would like reduction in taxes because they are taking care of older properties. This is an attempt to address that.
- Would be a local option in communities. They can vote it in or out.
- This is only for residential properties.
- People would apply to the town and hire an architectural historian, provided from a pool of people, which would be established by cultural resources.
- Has to be at least 100 years old or eligible for inclusion on the state or national historic register.
- They also look at the quality of structure and citing of the structure.
- Once all criteria are judged by an architectural historian they would grade a reduction in assessment. It would be good for 5 years and can be renewed.
- He rewrote the bill after hearing concerns with the bill from last year and is willing to keep working on it if necessary.

Sen. Feltes asked if he could identify certain areas of the bill he thinks are more important than others if it were to be paired down.

Mr. Colglazier said we could reduce some of the criteria like the roof and siding. He is not sure about the definitions that need to be established. Ordinary people need to be able to understand the definitions.

Tax relief would be granted by the local community and it would be added on to the overall tax bill – everyone else would be sharing the cost for it. He also noted that the reduction is only on the assessment for the house itself, not the property.

Sen. Sanborn – declares he may have a conflict and will still be participating.

Future Action:

sc

Date Hearing Report completed: January 25, 2017