AN ACT enabling municipalities to adopt a property tax credit for densely-built workforce housing.


COMMITTEE: Ways and Means

ANALYSIS

This bill enables municipalities to adopt a credit against education property taxes assessed on certain densely-built workforce housing.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.
SB 475 - AS AMENDED BY THE SENATE

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty

AN ACT enabling municipalities to adopt a property tax credit for densely-built workforce housing.

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

1 Procedure for Adoption of Property Tax Credit. Amend RSA 72:27-a, I, to read as follows.


2 New Subdivision; Workforce Housing Density Credit. Amend RSA 72 by inserting after section 86 the following new subdivision:

   Workforce Housing Density Credit

   72:87 Workforce Housing Density Credit.

   I. Each city and town may adopt the workforce housing density credit established in this section pursuant to the procedure in RSA 72:27-a.

   II. The workforce housing density credit shall be subtracted each year from the local education property tax assessed on the qualifying residential real estate. The credit shall be equal to twice the amount of the state education property tax assessed for the property in the prior year; provided that the credit shall not reduce the amount of the local education property tax below zero. A property shall be eligible for the credit for a period of not more than 10 years, as determined by the municipality.

   III. Only properties meeting the following requirements shall qualify for the credit under this section:

   (a) The property shall have a minimum of 5 residential units per acre, which may be single family units or multi-family buildings with at least 5 units per building.

   (b) The property shall meet the definition of workforce housing under RSA 674:58, IV.

   (c) The property shall be located in an area zoned by the town or city for dense residential development of 5 or more residential units per acre, or in an area designated for community revitalization under RSA 79-E.

   IV. Eligible properties may include new structures, conversions of existing residential structures, and adaptive reuse of existing non-residential structures.

   V. Applications for the credit under this section shall be governed by the provisions of RSA 72:33, RSA 72:34, and RSA 72:34-a.

3 Department of Revenue Administration; Rules; Reference Added. Amend RSA 72:36, I to read as follows: