

CHAPTER 221
SB 22 - FINAL VERSION

03/14/2019 0877s
8May2019... 1594h

2019 SESSION

19-0898
05/10

SENATE BILL **22**

AN ACT relative to the construction property tax exemption.

SPONSORS: Sen. Bradley, Dist 3; Rep. Berrien, Rock. 18

COMMITTEE: Election Law and Municipal Affairs

ANALYSIS

This bill provides that any municipality that has adopted the construction property tax exemption under RSA 72:81 shall determine the rate and duration of the exemption on a per case basis, based on the public benefit generated by the commercial or industrial project.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Nineteen

AN ACT relative to the construction property tax exemption.

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

1 221:1 Property Tax Exemptions; Commercial and Industrial Construction Exemption. Amend
2 RSA 72:81 to read as follows:

3 72:81 Property Tax Exemption.

4 ***I.*** An eligible municipality may, by vote of the local legislative body pursuant to RSA 72:82,
5 adopt a new construction property tax exemption for commercial or industrial uses, or both. The
6 intent of the exemption is to provide incentives to businesses to build, rebuild, modernize, or enlarge
7 within the municipality. The exemption shall apply only for municipal and local school property
8 taxes assessed by the municipality which shall exclude state education property taxes under RSA
9 76:3 and county taxes assessed against the municipality under RSA 29:11, and shall be a specified
10 percentage on an annual basis of the increase in assessed value attributable to construction of new
11 structures, and additions, renovations, or improvements to existing structures, but which shall not
12 exceed 50 percent per year. The exemption may run for a maximum period of 10 years following the
13 new construction.

14 ***II.*** Once adopted by the local legislative body, the percentage rate and duration of the
15 exemption shall be granted [~~uniformly within that municipality to all projects for which a proper~~
16 ~~application is filed~~] ***on a per case basis based on the amount and value of public benefit as***
17 ***determined by the governing body either:***

18 (a) *To all properties within the municipality; or*

19 (b) *To a specific group or groups of parcels within the municipality as*
20 ***designated by the legislative body.***

21 ***III.*** *For the purposes of this section, public benefit shall be defined by the local*
22 ***legislative body as part of the adoption of the property tax exemption.***

23 221:2 Procedure for Adoption. Amend RSA 72:82, I to read as follows:

24 ***I.*** A municipality desiring to adopt the provisions of RSA 72:81 shall do so in accordance
25 with the procedures set forth in RSA 72:27-a. ***The vote shall specify that the exemption, if***
26 ***granted, shall apply to all properties within the municipality if adopted in accordance***
27 ***with RSA 72:81, II(a) or to a specific group or groups of parcels within the municipality if***
28 ***adopted in accordance with RSA 72:81, II(b).*** The vote shall specify the ***maximum*** percentage
29 of new assessed value to be exempted, the ***maximum*** number of years duration of the exemption

CHAPTER 221
SB 22 - FINAL VERSION
- Page 2 -

1 following new construction, ***a definition of public benefit***, and a reference to zoning use category
2 definitions, if applicable. The exemption shall take effect in the tax year beginning April 1 following
3 its adoption.

221:3 Effective Date. This act shall take effect upon its passage.

Approved: July 12, 2019

Effective Date: July 12, 2019