

CHAPTER 58
SB 2 – FINAL VERSION

01/31/13 0045s

2013 SESSION

13-0868
10/03

SENATE BILL **2**

AN ACT relative to the calculation of the local tax cap.

SPONSORS: Sen. Boutin, Dist 16; Sen. Stiles, Dist 24; Sen. Bradley, Dist 3; Sen. Rausch, Dist 19; Sen. Forrester, Dist 2; Rep. Suzanne Smith, Graf 8; Rep. Ladd, Graf 4; Rep. Chandler, Carr 1; Rep. Infantine, Hills 13

COMMITTEE: Public and Municipal Affairs

ANALYSIS

This bill provides that the calculation of the local tax cap in towns adopting RSA 32:5-b shall be adjusted to include a fund balance brought forward from previous years.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears [~~in brackets and struck through~~].
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 Thirteen

AN ACT relative to the calculation of the local tax cap.

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

1 58:1 Municipal Budget Act; Local Tax Cap. Amend RSA 32:5-b to read as follows:

2 32:5-b Local Tax Cap. Upon adoption under RSA 32:5-c, the following shall apply:

3 I. In a town or district that has adopted this section, the estimated amount of local taxes to
4 be raised for the fiscal year, as shown on the budget certified by the governing body or the budget
5 committee and posted with the warrant for the annual meeting pursuant to RSA 32:5, shall not
6 exceed the local taxes raised for the prior year, as shown on the same budget ***and adjusted as***
7 ***provided in paragraph I-a***, by more than the tax cap authorized when this section was adopted.

8 ***I-a. If the local taxes raised for the prior year were reduced by any fund balance***
9 ***brought forward from previous years, the amount of such reduction shall be added back***
10 ***and included in the amount to which the tax cap is applied under paragraph I.***

11 II. The tax cap shall be either a fixed dollar amount or a fixed percentage applied to the
12 amount of local taxes raised by the town or district for the prior fiscal year as reported to the
13 department of revenue administration, ***subject to adjustment as provided in paragraph I-a.***

14 III. The legislative body may override the cap by the usual procedures applicable to annual
15 meetings and deliberative sessions of the legislative body. The provisions of this section shall not
16 limit the legislative body's authority to increase or decrease the amount of any appropriation or the
17 total amount of all appropriations.

18 58:2 Effective Date. This act shall take effect 60 days after its passage.

19 Approved: June 6, 2013

20 Effective Date: August 5, 2013