

CHAPTER 94
SB 58 – FINAL VERSION

2013 SESSION

13-0877
10/04

SENATE BILL **58**

AN ACT relative to the taxation of water works or flood control land held in another town or city.

SPONSORS: Sen. Carson, Dist 14; Sen. Boutin, Dist 16; Rep. Hagan, Rock 4; Rep. Charron, Rock 4; Rep. Tremblay, Rock 4; Rep. Dumaine, Rock 4

COMMITTEE: Public and Municipal Affairs

ANALYSIS

This bill allows a municipality holding water works or flood control land in another town or city to enter into a voluntary agreement for the amount of a payment in lieu of taxes.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to the taxation of water works or flood control land held in another town or city.

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

1 94:1 Taxation; Water Works and Flood Control Land in Another Town. Amend RSA 72:11 to
2 read as follows:

3 72:11 Water Works; Flood Control.

4 ***I. Except as provided in paragraph II***, property held by a city, town or district in another
5 city or town for the purpose of a water supply or flood control, if yielding no rent, shall not be liable
6 to taxation therein, but the city, town or district so holding it shall annually pay to the city or town
7 in which such property lies an amount equal to that which such place would receive for taxes upon
8 the average of the assessed value of such land, without buildings or other structures, for the 3 years
9 last preceding legal process to acquire the same, or other acquisition thereof, the valuation for each
10 year being reduced by all abatements thereon; but any part of such land or buildings from which any
11 revenue in the nature of rent is received shall be subject to taxation; such payments shall be paid to
12 the collector of taxes of the town or city in which such property lies upon notification from him, and
13 such payment shall be made on or before December 1 in each year; provided, however, that after
14 such acquisition the valuation thus established shall be subject to change, as to make such value
15 proportional with the assessed value of other property in the town which is subject to taxation, so
16 that such payment will not exceed its proportion of the public charge in that year. Any city or town
17 aggrieved by the payment in lieu of taxes on such property shall have the same right of appeal as a
18 taxpayer may have.

19 ***II.(a) Alternatively, the governing body of a city, town, or district holding property***
20 ***described in paragraph I may enter into an agreement with the governing body of the city***
21 ***or town in which the property is located for payments in lieu of taxes with respect to the***
22 ***subject property. In the absence of such an agreement, the property shall be subject to the***
23 ***provisions of paragraph I. Notwithstanding any agreement entered into under this***
24 ***paragraph, any portion of the land or buildings from which revenue in the nature of rent***
25 ***is received shall remain subject to taxation as provided in paragraph I.***

26 ***(b) No voluntary agreement entered into under this paragraph shall be valid***
27 ***for more than 5 years, however, any such agreement may be renewed or amended and***
28 ***restated for any number of consecutive periods of 5 years or less.***

29 94:2 Additional Provisions; Reference Added. Amend RSA 72:11-a to read as follows:

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1 72:11-a Water Works, Flood Control, Additional Provisions. When a city, town or district has
2 acquired, or acquires property in another city or town for the purpose of water supply or flood control
3 which for any reason has been exempt from taxation, such property, if yielding no rent, shall not be
4 liable to taxation therein but the city, town or district so holding it shall annually pay to the city or
5 town in which such property lies *either* a sum equal to that which such place would receive from
6 taxes from such land, without buildings or structures thereon, as determined by the commissioner of
7 revenue administration, *or the alternative payment permitted by RSA 72:11, II*. Such payments
8 shall be made as provided in RSA 72:11.

9 94:3 Effective Date. This act shall take effect upon its passage.

10 Approved: June 20, 2013

11 Effective Date: June 20, 2013