

HB 222-FN – AS INTRODUCED

2015 SESSION

15-0459  
10/09

HOUSE BILL            **222-FN**

AN ACT                exempting certain homeowners over 80 years of age from the statewide education tax.

SPONSORS:            Rep. Coffey, Hills 25; Rep. Parison, Hills 25

COMMITTEE:          Ways and Means

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ANALYSIS

This bill requires that a homeowner who is over 80 years of age and has lived in his or her homestead for at least 5 years shall be exempt from the statewide education tax.

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                                Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT                    exempting certain homeowners over 80 years of age from the statewide education tax.

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

1            1 State Education Property Tax; Reference Added. Amend RSA 76:3 to read as follows:  
2            76:3 Education Tax. Beginning July 1, 2005, and every fiscal year thereafter, the commissioner  
3 of the department of revenue administration shall set the education tax rate at a level sufficient to  
4 generate revenue of \$363,000,000 when imposed on all persons and property taxable pursuant to  
5 RSA 76:8, except property subject to tax under RSA 82 and RSA 83-F **and persons exempted**  
6 **under RSA 76:3-a**. The education property tax rate shall be effective for the following fiscal year.  
7 The rate shall be set to the nearest 1/2 cent necessary to generate the revenue required in this  
8 section.

9            2 New Section; Exemption; Persons over 80 Years of Age. Amend RSA 76 by inserting after  
10 section 3 the following new section:

11            76:3-a Exemption; Persons Over 80 Years of Age. An owner of property subject to tax under  
12 RSA 76:3 who is 80 years of age or older and who has continuously maintained a homestead, as  
13 defined in RSA 198:56, II, in this state for at least the most recent 5 years shall have his or her  
14 homestead be exempt from the statewide education property tax. Procedures for application,  
15 investigation of applications, and appeals shall be as provided in RSA 72:33, RSA 72:34, and  
16 RSA 72:34-a.

17            3 Effective Date. This act shall take effect April 1, 2015.

LBAO  
15-0459  
01/09/15

## HB 222-FN - FISCAL NOTE

AN ACT                    exempting certain homeowners over 80 years of age from the statewide education tax.

### FISCAL IMPACT:

The Department of Revenue Administration states this bill, **as introduced**, will have an indeterminable impact on state and local expenditures in FY 2015 and each year thereafter. This bill will have no impact on state, county, and local revenue or county expenditures.

### METHODOLOGY:

The Department of Revenue Administration states this bill provides for the exemption of certain real estate from a portion of the property tax. More specifically, an owner of property is 80 years of age or older and who has continuously maintained a homestead in New Hampshire for at least the most recent 5 years shall have the homestead exemption from the Statewide Education Property Tax (SWEPT). The Department assumes that of the 37,926 potential applicants, at least 75%, or 28,445 will apply. The Department states the current Low and Moderate Income Homeowners Property Tax Relief payments will be reduced by the number of those able to claim a full exemption from the SWEPT. The exemption will have no impact on total SWEPT collected, as it will reapportion the tax burden to non-exempt property owners. The exact fiscal impact cannot be determined at this time. The Department also states there will be an indeterminable increase in Department administrative costs, as they will need to establish a process to verify when a Low and Moderate claimant has received an exemption.

The Department states there will be an indeterminable increase in local expenditures related to the administration of the initial application process, the processing of annual applications for exemptions, the determination of the value of exempt homesteads, and the reporting of these exemptions to the Department for annual calculation of the SWEPT apportionment. The Department states there will be significant administrative attention as these taxpayers will only qualify based on an annual determination of residency. The residency requirement is continuous, as it reflects the most recent 5 years. The exact fiscal impact cannot be determined at this time.