HB 350 - AS INTRODUCED

2015 SESSION

15-0606 10/05

HOUSE BILL 350

AN ACT establishing a commission to study the impacts of the property tax on

New Hampshire's residents, businesses, municipalities, and the economy.

SPONSORS: Rep. Spang, Straf 6; Rep. Burton, Straf 6; Sen. Fuller Clark, Dist 21

COMMITTEE: Ways and Means

ANALYSIS

This bill establishes a commission to study the impacts of the property tax on New Hampshire's residents, businesses, municipalities, and economy.

.....

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT establishing a commission to study the impacts of the property tax on New Hampshire's residents, businesses, municipalities, and the economy

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

1	1 New Subdivision; Property Tax Study Commission. Amend RSA 76 by inserting after section
2	21 the following new subdivision:
3	Property Tax Study Commission
4	76:22 Property Tax Study Commission Established. The property tax plays a critical role in
5	New Hampshire's fiscal structure, yet there has never been a comprehensive study of the way the tax
6	itself has been designed or implemented, or whether in its current form it promotes or hinders the
7	economic well-being of all aspects of the state. There is therefore established a commission to study
8	the impacts of the local, state, and county property tax on New Hampshire's residents, businesses,
9	municipalities, and economy.
10	I. The members of the commission shall be as follows:
11	(a) Three members of the house of representatives, appointed by the speaker of the
12	house of representatives.
13	(b) Two members of the senate, appointed by the president of the senate.
14	(c) Five members, appointed by the governor, with expertise in one or more of the
15	following areas, so that each of the following areas are represented:
16	(1) Business.
17	(2) Social services.
18	(3) Land use planning.
19	(4) State and regional economics.
20	(5) Municipal governance.
21	II. The commission shall also include input and assistance from other individuals and public
22	and private organizations, as it deems relevant, to consider local and regional issues impacted by the
23	property tax.
24	III. Legislative members of the commission shall receive mileage at the legislative rate when
25	attending to the duties of the commission.
26	IV. (a) The commission shall limit its study and recommendations to the property tax itself
27	and shall not consider broad based tax alternatives.
28	(b) The commission's work shall not focus on education property taxes in the context of
29	education funding policy.
30	V. The commission shall study the impacts of the property tax on New Hampshire's

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1	residents, businesses, municipalities, and the economy, including:
2	(a) Options for establishing tax rates.
3	(b) Options for a broader range of exemptions consistent with the New Hampshire
4	constitution, including a more robust homestead exemption.
5	(c) Property tax incentives to achieve public benefit goals such as affordability of housing
6	and achieving municipal land use goals.
7	(d) An evaluation of the costs and effectiveness of property tax incentives as a tool for
8	promoting economic development on both a local and statewide basis.
9	(e) Enabling municipal or inter-municipal taxation and revenue sharing structures.
10	(f) Evaluating the impact of property taxes on small and capital-intensive businesses.
11	VI. The members of the commission shall elect a chairperson from among the members. The
12	first meeting of the commission shall be called by the first-named house member. The first meeting
13	of the commission shall be held within 45 days of the effective date of this section. Five members of
14	the commission shall constitute a quorum.
15	VII. The commission shall report its findings and any recommendations for proposed
16	legislation to the speaker of the house of representatives, the president of the senate, the house clerk,
17	the senate clerk, the governor, and the state library in interim reports filed on or before November 1,
18	2015 and November 1, 2016, and a final report on or before November 1, 2017.
19	2 Prospective Repeal; 2017. RSA 76:22, relative to the property tax study commission, is
20	repealed.
21	3 Effective Date.
22	I. Section 2 of this act shall take effect November 1, 2017.
23	II. The remainder of this act shall take effect upon its passage.