

HB 639-FN-LOCAL - AS INTRODUCED

2015 SESSION

15-0437
10/04

HOUSE BILL **639-FN-LOCAL**

AN ACT repealing the resident tax, relative to tax collection under RSA 80, and establishing a legislative commission to revise RSA 80 governing the collection and enforcement of taxes.

SPONSORS: Rep. Ulery, Hills 37

COMMITTEE: Municipal and County Government

ANALYSIS

This bill repeals the resident tax and removes requirements for proof of payment of resident taxes. The bill adds a definition of tax collector and repeals certain fees authorized to be assessed by tax collectors under RSA 80. The bill also establishes a legislative commission to revise RSA 80 governing the collection and enforcement of taxes.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 repealing the resident tax, relative to tax collection under RSA 80, and establishing a legislative commission to revise RSA 80 governing the collection and enforcement of taxes.

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

1 1 Property Taxation; Tax Paid Elsewhere. Amend RSA 73:24 to read as follows:

2 73:24 Tax Paid Elsewhere. If the person ~~[se]~~ assessed and examined ***under RSA 73:23*** shall, on
3 or before January 1 following, produce to the selectmen the certificate, under oath, of the selectmen
4 of any other town that he ***or she*** was assessed in that town as an inhabitant, and how much, and has
5 paid the tax, and that the same is the legal tax for the year upon ~~[his resident tax and]~~ ***the person's***
6 whole estate, the ~~[first-mentioned]~~ tax ~~[may]~~ ***wrongfully assessed shall*** be abated; otherwise it
7 shall be collected.

8 2 Property Taxes; Notice to Taxpayers; Resident Taxes Deleted. Amend RSA 76:11, I to read as
9 follows:

10 I. Such list shall be delivered to the collector within 30 days from the receipt of information
11 by the selectmen from the commissioner of revenue administration of the rate percent of taxation as
12 provided in RSA 41:15, unless for good cause the time is extended by the commissioner of revenue
13 administration. The collector shall, within 30 days after the receipt of such list, send to every person
14 taxed, a bill for such taxes by first class mail or, with the approval of the governing body, by
15 electronic means as provided in paragraph II, unless for good cause the time is extended by the
16 commissioner of revenue administration. Said bill shall be mailed separately and not included with
17 mailing of other town or city bills, unless the governing body of the town or city votes to mail other
18 town or city bills or information directly related to municipal business along with the tax bill. Under
19 no circumstances shall a city or town mail statements of position on matters of public policy along
20 with the tax bill. Upon written request of a mortgagee or its representative, the tax collector of a city
21 or town shall mail or transfer by electronic means as provided in paragraph II a duplicate copy of the
22 property tax bill, as it was sent to the property taxpayer, to the party making such request. Other
23 form of notification of tax owed, acceptable to the mortgagee and the tax collector, may be
24 substituted for the duplicate tax bill. A separate written request, with specific property
25 identification, shall be required for each duplicate copy or form. The governing body of a city or town
26 may establish a reasonable fee to be charged for each duplicate copy or form. ~~[Resident tax bills may
27 be included with property tax bills when the inclusion of such resident tax bills will not unduly delay
28 the mailing of either the resident or property tax bills.]~~

29 3 Assessment of Taxes; Interest; Reference Deleted. Amend RSA 76:13 to read as follows:

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1 The dealer agent through the EVR integrator shall electronically transmit to the appropriate town or
2 city a copy of the newly issued registration permit and a signed affidavit of residency, and, where
3 applicable, a copy of the registration transferred [~~and a copy of either the resident tax affidavit or the~~
4 ~~tax receipt as set forth in 261:74 n, III~~]. Dealer agents shall be in compliance with the Red Flags
5 Rule, 16 C.F.R. part 681, and the Safeguards Rule, 16 C.F.R. part 314, as promulgated by the
6 Federal Trade Commission.

7 9 Joint Owners of Motor Vehicle; Reference Deleted. Amend RSA 261:17, III to read as follows:

8 III. Individuals who are joint owners may provide for survivorship. If their joint ownership
9 is held by using “and” between their names, they may obtain title as joint tenants with rights of
10 survivorship by designating this preference on their title application. If their joint ownership is held
11 by using “or” between their names, no other designation is required. Upon the death of one of the
12 owners, the surviving owner may transfer the vehicle pursuant to RSA 261:14 without obtaining a
13 new title. The signature of the surviving owner on the record and a copy of the death record shall be
14 deemed valid and sufficient for the proper transfer of the motor vehicle. One of the joint owners may
15 be a nonresident[~~, who shall be exempt from the requirements of RSA 261:71 for the purposes of this~~
16 ~~section only~~].

17 10 Repeal; Provisions on Resident Taxes. The following are repealed:

- 18 I. The subdivision heading preceding RSA 72:1, relative to resident taxes.
- 19 II. RSA 72:1 – RSA 72:1-c, relative to the assessment and collection of the resident tax.
- 20 III. RSA 72:3-a, relative to armed forces exemption from resident tax.
- 21 IV. RSA 72:5 – RSA 72:5-c, relative to procedures for collection of resident taxes.
- 22 V. RSA 73:1, relative to location for resident taxes.
- 23 VI. RSA 76:12, relative to the list of resident taxes.
- 24 VII. RSA 76:13-a, relative to penalty for late resident taxes.
- 25 VIII. RSA 76:16-c, relative to abatement of resident taxes.
- 26 IX. RSA 80:1 and RSA 80:1-a, relative to collection of resident taxes.
- 27 X. RSA 80:3, relative to default in payment of resident taxes.
- 28 XI. RSA 261:71- RSA 261:73, relative to proof of payment of resident taxes.
- 29 XII. RSA 261:74-n, III, relative to resident tax payment for registration of vehicles.
- 30 XIII. RSA 263:15, relative to driver’s license requirements of resident tax payment.

31 11 New Section; Collection of Taxes; Definition of Tax Collector. Amend RSA 80 by inserting
32 after section 4 the following new section:

33 80:4-a Definition; Tax Collector. In this chapter, “tax collector” or “collector” means the person
34 duly elected or appointed, and their authorized agents, having the duty and power, within the taxing
35 district, to collect taxes issued under warrant and to enforce payment of taxes including the
36 assessment of interest and penalties, and who shall pay over taxes collected as provided in law.

37 12 Repeal. The following are repealed

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1 I. RSA 80:41, relative to \$5 penalty for excessive fees.

2 II. RSA 80:43 and RSA 80:44, relative to fees assessed by collectors for the sale of real estate
3 and personal property.

4 13 Legislative Commission Established.

5 I. There is established a commission to revise RSA 80 governing the collection and
6 enforcement of taxes.

7 II. The members of the commission shall be as follows:

8 (a) Five members of the house of representatives, appointed by the speaker of the house
9 of representatives.

10 (b) Two members of the senate, appointed by the president of the senate.

11 III. Members of the commission shall receive mileage at the legislative rate when attending
12 to the duties of the commission.

13 IV. The commission shall propose a revision of RSA 80, collection of taxes, with the specific
14 goals of:

15 (a) Defining terms in RSA 80 and removing obsolete references.

16 (b) Repealing or amending the provisions of RSA 80 relating to tax sales, and requiring
17 enforcement under the optional tax lien procedure.

18 (c) Deleting or adjusting the fees charged for collection and enforcement of taxes.

19 (d) Clarifying the application of RSA 80 to real property and exclusion from its
20 application to personal property.

21 (e) Any other matter the commission deems relevant to its charge in revising RSA 80.

22 V. The commission may solicit and utilize the input and expertise of individuals and
23 organizations to assist in its duties under this section.

24 VI. The members of the commission shall elect a chairperson from among the members. The
25 first meeting of the commission shall be called by the first-named house member. The first meeting
26 of the commission shall be held within 45 days of the effective date of this section. Four members of
27 the commission shall constitute a quorum.

28 VII. The commission shall report its findings and any recommendations for proposed
29 legislation to the speaker of the house of representatives, the president of the senate, the house
30 clerk, the senate clerk, the governor, and the state library in an interim report on or before
31 November 1, 2015, and in a final report on or before November 1, 2016.

32 14 Effective Date.

33 I. Sections 1-10 of this act shall take effect April 1, 2015.

34 II. Sections 11 and 12 of this act shall take effect 60 days after its passage.

35 III. The remainder of this act shall take effect upon its passage.

HB 639-FN-LOCAL FISCAL NOTE

AN ACT repealing the resident tax, relative to tax collection under RSA 80, and establishing a legislative commissioner to revise RSA 80 governing the collection and enforcement of taxes.

FISCAL IMPACT:

The Department of Revenue Administration states this bill, **as introduced**, will have an indeterminable impact on local revenue in FY 2016 and each year thereafter. There will be no impact on state, county, and local expenditures or state and county revenue.

METHODOLOGY:

The Department of Revenue Administration states this bill repeals the resident tax, removes the requirements for proof of payment of resident taxes, adds a definition of tax collector and repeals certain fees under RSA 80, and establishes a legislative commission to revise RSA 80. The Department is unable to calculate the amount by which local revenue may be reduced because there is no readily available way of determining which of the cities and towns are collecting resident taxes.