

CHAPTER 266
HB 662-FN-LOCAL - FINAL VERSION

04/30/2015 1394s
24June2015... 2174CofC
24June2015... 2348EBA

2015 SESSION

15-0686
10/08

HOUSE BILL ***662-FN-LOCAL***

AN ACT relative to property taxes paid by chartered public schools leasing property.

SPONSORS: Rep. Williams, Hills 4; Rep. Edelblut, Hills 38

COMMITTEE: Municipal and County Government

AMENDED ANALYSIS

This bill allows a town or city to adopt a property tax exemption for the portion of buildings and land rented or leased to a chartered public school facility by an owner who is not exempt from property taxation.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 relative to property taxes paid by chartered public schools leasing property.

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

1 266:1 New Chapter; Taxation of Certain Chartered Public School Facilities. Amend RSA by
2 inserting after chapter 79-G the following new chapter:

CHAPTER 79-H

TAXATION OF CERTAIN CHARTERED PUBLIC SCHOOL FACILITIES

5 79-H:1 Declaration of Public Interest. The general court hereby finds it to be in the public
6 interest to authorize municipalities to allow a chartered public school to be able to rent or lease its
7 building or facilities from a property owner which is not exempt from property taxes, and not have
8 the property taxes attributable to the chartered public school facilities be taxed to the owner at the
9 full market value of the facilities.

10 79-H:2 Adoption of this Chapter. A town or city may adopt the provisions of this chapter by vote
11 of its legislative body using the following procedures:

12 I. In a town, other than a town that has adopted a charter pursuant to RSA 49-D, the
13 question shall be placed on the warrant of the annual town meeting by the governing body or by
14 petition under RSA 39:3.

15 II. In a city or town that has adopted a charter under RSA 49-C or RSA 49-D, the legislative
16 body may consider and act upon the question in accordance with its normal procedures for passage of
17 resolutions, ordinances, and other legislation.

18 III. If a majority of those voting on the question vote "yes," the provisions of this chapter
19 shall take effect within the town or city on the date set by the legislative body, or in the tax year
20 beginning April 1 following its adoption, whichever shall occur first.

21 IV. A town or city may rescind the provisions of this chapter in the manner described in
22 paragraphs I-III.

23 79-H:3 Definitions. In this chapter:

24 I. "Assessing official" means the assessing authority of any town, city, or place.

25 II. "Board of tax and land appeals" means the board of tax and land appeals established
26 pursuant to the provisions of RSA 71-B:1.

27 III. "Commissioner" means the commissioner of the department of revenue administration.

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1 IV. “Qualifying chartered public school facility” means the building, or portion thereof, and
2 the land appurtenant thereto, which, pursuant to a rental or lease agreement, is used exclusively as
3 a chartered public school, established and operating under RSA 194-B, and which is rented or leased
4 from an owner who is not exempt from property taxation under RSA 72.

5 79-H:4 Appraisal of Qualifying Chartered Public School Facilities.

6 I. The assessing officials in any municipality adopting the provisions of this chapter shall
7 appraise qualifying chartered public school facility property at no more than 10 percent of its market
8 value.

9 II. No owner of land and buildings renting or leasing to a qualifying chartered public school
10 facility shall be entitled to have the property appraised for any tax year under the provisions of this
11 chapter unless the owner applies to the assessing officials on or before April 15 of said year, on a
12 form approved and provided by the commissioner, to have the property so appraised. Such
13 application shall include a verified copy of the rental or lease agreement containing terms and
14 provisions identifying the specific real property exclusively used by the chartered public school for
15 the purposes of RSA 194-B and payment terms under the rental or lease agreement which assign the
16 tax exemption under this chapter to the benefit of the chartered public school. If any owner satisfies
17 the assessing officials that it was prevented by accident, mistake, or misfortune from filing such
18 application on or before April 15, the assessing officials may receive the application at a later date
19 and appraise the property under this chapter; but no such application shall be received after the
20 local tax rate has been approved by the commissioner for that year.

21 III. The assessing officials shall notify the applicant on a form provided by the commissioner
22 no later than July 1, or within 15 days if the application is filed after July 1, of their decision to
23 classify or refuse to classify the property under the provisions of this chapter by delivery of such
24 notification to the owner in person or by mailing such notification to the owner’s last and usual place
25 of abode.

26 IV. A list of all qualifying chartered public school facilities assessed under this chapter and
27 their owners in each town or city shall be filed by the respective assessing officials each year. Such
28 list shall be part of the record and subject to inspection as provided in RSA 76:7.

29 V. The commissioner shall include on the inventory blank, required under RSA 74:4, a
30 question concerning whether any changes have been made in the use of a qualifying chartered public
31 school facility. The question shall be written to enable the assessing officials to locate qualifying
32 facilities which may require a change in assessment and to fit the context of the blank.

33 79-H:5 Appeal to Board of Tax and Land Appeals.

34 I. If the assessing officials deny in whole or in part any application for assessment of certain
35 property as a qualifying chartered public school facility, the applicant, having complied with the
36 requirements of RSA 79-H:4, II may, on or before 6 months after any such action by the assessing

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1 officials, in writing and upon a payment of a \$65 filing fee, apply to such board for a review of the
2 action of the assessing officials.

3 II. The board of tax and land appeals shall investigate the matter and shall hold a hearing if
4 requested as provided in this section. The board shall make such order thereon as justice requires,
5 and such order shall be enforceable as provided hereafter.

6 III. Upon receipt of an application under the provisions of paragraph I, the board of tax and
7 land appeals shall give notice in writing to the affected town or city of the receipt of the application
8 by mailing such notice to the town or city clerk thereof by certified mail. Such town or city may
9 request in writing a hearing on such application within 30 days after the mailing of such notice. If a
10 hearing is requested by a town or city, the board shall, not less than 30 days prior to the date of
11 hearing upon such application, give notice of the time and place of such hearing to the applicant and
12 the town or city in writing. Nothing contained herein shall be construed to limit the rights of
13 taxpayers to a hearing before the board of tax and land appeals.

14 IV. The applicant and the town or city shall be entitled to appear by counsel, may present
15 evidence to the board of tax and land appeals, and may subpoena witnesses. Either party may
16 request that a stenographic record be kept of the hearing. Any investigative report filed by the staff
17 of the board shall be made a part of such record.

18 V. In such hearing, the board of tax and land appeals shall not be bound by the technical
19 rules of evidence.

20 VI. Either party aggrieved by the decision of the board of tax and land appeals may appeal
21 pursuant to the provisions of RSA 71-B:12. For the purposes of such appeal, the findings of fact by
22 said board shall be final. Any such appeal shall be limited to questions of law. An election by an
23 applicant to appeal in accordance with this paragraph shall be deemed a waiver of any right to
24 petition the superior court in accordance with RSA 79-H:6.

25 VII. A copy of an order by the board of tax and land appeals, attested as such by the
26 chairman of the board, if no appeal is taken hereunder, may be filed in the superior court for the
27 county or in the Merrimack county superior court at the option of said board; and, thereafter, such
28 order may be enforced as a final judgment of the superior court.

29 79-H:6 Appeal to Superior Court. If the assessing officials deny in whole or in part any
30 application for assessment of the property or portion thereof as a qualifying chartered public school
31 facility, the applicant, having complied with the requirements of RSA 79-H:4, II may, within 6
32 months after notice of denial, apply by petition to the superior court of the county, which shall make
33 such order thereon as justice requires. Any appeal to the superior court under this section shall be
34 in lieu of an appeal to the board of tax and land appeals pursuant to RSA 79-H:5.

35 79-H:7 Enforcement. All taxes levied pursuant to assessments under this chapter which are not
36 paid when due shall be collected in the same manner as provided in RSA 80.

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1 79-H:8 Disposition of Revenues. All money received by the tax collector pursuant to the
2 provisions of this chapter shall be for the use of the town or city.

3 266:2 New Paragraph; Taxpayer Inventory Blank. Amend RSA 74:4 by inserting after
4 paragraph VII the following new paragraph:

5 VIII. The blank shall require owners of property rented or leased to a qualifying chartered
6 public school facility under RSA 79-H to indicate whether any changes in use of the qualifying
7 chartered public school facility have been made.

8 266:3 Appraisal of Taxable Property. Amend RSA 75:1 to read as follows:

9 75:1 How Appraised. The selectmen shall appraise open space land pursuant to RSA 79-A:5,
10 open space land with conservation restrictions pursuant to RSA 79-B:3, land with discretionary
11 easements pursuant to RSA 79-C:7, residences on commercial or industrial zoned land pursuant to
12 RSA 75:11, earth and excavations pursuant to RSA 72-B, land classified as land under qualifying
13 farm structures pursuant to RSA 79-F, buildings and land appraised under RSA 79-G as qualifying
14 historic buildings, ***qualifying chartered public school property appraised under RSA 79-H***,
15 residential rental property subject to a housing covenant under the low-income housing tax credit
16 program pursuant to RSA 75:1-a, renewable generation facility property subject to a voluntary
17 payment in lieu of taxes agreement under RSA 72:74 as determined under said agreement, and all
18 other taxable property at its market value. Market value means the property's full and true value as
19 the same would be appraised in payment of a just debt due from a solvent debtor. The selectmen
20 shall receive and consider all evidence that may be submitted to them relative to the value of
21 property, the value of which cannot be determined by personal examination.

22 266:4 Effective Date. This act shall take effect upon its passage.

23 Approved: July 20, 2015

24 Effective Date: July 20, 2015