

SB 221 - AS INTRODUCED

2023 SESSION

23-0888

05/10

SENATE BILL **221**

AN ACT enabling municipalities to adopt a property tax exemption for child day care agencies.

SPONSORS: Sen. Prentiss, Dist 5; Sen. D'Allesandro, Dist 20; Sen. Watters, Dist 4; Sen. Rosenwald, Dist 13; Sen. Fenton, Dist 10; Sen. Perkins Kwoka, Dist 21; Sen. Soucy, Dist 18; Sen. Altschiller, Dist 24; Sen. Whitley, Dist 15; Sen. Chandley, Dist 11; Rep. Ebel, Merr. 7; Rep. Morse, Graf. 9; Rep. Stavis, Graf. 13

COMMITTEE: Election Law and Municipal Affairs

ANALYSIS

This bill allows municipalities to adopt a property tax exemption for child day care agencies.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Three

AN ACT enabling municipalities to adopt a property tax exemption for child day care agencies.

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

1 1 New Subdivision; Optional Property Tax Exemption; Child Day Care Agencies. Amend RSA
2 chapter 72 by inserting after section 87 the following new subdivision:

3 Exemption for Child Day Care Agencies

4 72:88 Exemption for Child Day Care Agencies.

5 I. Any city or town may adopt under RSA 72:27-a an exemption from the assessed value, for
6 property tax purposes, of property that is operated as a child day care agency as defined in RSA 170-
7 E and licensed under that chapter.

8 II. The exemption shall be in an assessed value amount determined by the legislative body
9 at the time of adoption, which may be either a dollar amount or a percentage of the assessed value of
10 the property. If a property is used for one or more purposes in addition to its use as a child day care
11 agency, the exemption shall apply proportionately, to the total assessed value of the property, based
12 on the percentage of use attributable to the child day care agency, as determined by the city or town.

13 III. In addition to the application required under RSA 72:33, the owner of property for which
14 an exemption is claimed under this section shall file with the city or town, by April 15 of the year in
15 which the exemption is first claimed, a copy of the unexpired license or permit issued for the agency
16 under RSA 170-E. After an exemption has been granted, the owner shall file with the city or town a
17 copy of any renewed license or permit upon its issuance and shall notify the city or town promptly if
18 its license or permit is revoked or suspended or if it is not renewed upon expiration. The assessing
19 officials may require applicants for this exemption to refile for the exemption periodically but no
20 more frequently than annually. Failure to file such periodic application may, at the discretion of the
21 assessing officials, result in a loss of the exemption for that year.

22 IV. Upon a determination by the city or town that the license or permit under RSA 170-E for
23 any property subject to the exemption under this section was no longer in effect as of April 1 of any
24 year, the exemption shall be revoked.

25 V. In the case of a child day care agency operated by a lessee of taxable real property, the
26 lessee may apply for the exemption under this section. If the exemption is granted, the property
27 shall be taxed at its full value, and, regardless of whether the owner or the lessee applied for the
28 exemption, the city or town shall rebate to the lessee the property tax amount attributable to the
29 portion of the property that is used by the lessee for the child day care agency. The percentage of use
30 attributable to the child day care agency is as determined by the city or town. The city or town shall

mail a copy of the last tax bill for the year to the lessee, and the lessee shall be required within 30 days of mailing to file with the city or town a certification that the child day care agency has continued to operate from April 1 of the tax year through the then-present date, whether by the original lessee or a successor person or entity. The rebate shall be deemed to have been forfeited if the agency has not continued such operation. If such certification is filed, the rebate shall be paid within 30 days, with no interest thereon, after the property tax for the year is paid in full. The lessee shall also have the same filing and reporting obligations that the owner otherwise would have under this section. Whenever, after taxes have been paid, the governing body or assessors, the board of tax and land appeals, or the superior court, as the case may be, grant an abatement of taxes for which a rebate would be due under this paragraph, the municipality shall not be required to pay interest thereon and the provisions of RSA 76:17-a shall not apply.

VI. The exemption shall apply regardless of the for-profit or nonprofit status of the entity operating the agency.

VII. The municipal assessing officials may request true copies of any documents as needed to verify eligibility for this exemption. Except as may be required by a court or state agency, all documents submitted with an application or as requested in connection therewith, and any copies shall be considered confidential, handled so as to protect the privacy of the child day care agency or its clients, and not used for any purpose other than the specific statutory purposes for which the information was originally obtained. All documents and copies of such documents submitted by the applicant shall be returned to the applicant after a decision is made on the application.

2 Property Tax Exemptions; Procedure for Adoption, Modification, or Rescission. Amend the introductory paragraph of RSA 72:27-a, I to read as follows:

I. Any town or city may adopt the provisions of RSA 72:28, RSA 72:28-b, RSA 72:29-a, RSA 72:35, RSA 72:37, RSA 72:37-b, RSA 72:38-b, RSA 72:39-a, RSA 72:62, RSA 72:66, RSA 72:70, RSA 72:76, RSA 72:82, RSA 72:85, ~~or~~ RSA 72:87, **or RSA 72:88** in the following manner:

3 Property Tax Exemptions; Definitions; Owner. Amend RSA 72:29, VI to read as follows:

VI. For purposes of RSA 72:28, 28-b, 28-c, 29-a, 30, 31, 32, 33, 35, 36-a, 37, 37-a, 37-b, 38-a, 39-a, 62, 66, ~~and~~ 70, **and 88** the ownership of real estate, as expressed by such words as "owner," "owned" or "own," shall include those who have placed their property in a grantor/revocable trust or who have equitable title or the beneficial interest for life in the subject property.

4 Property Tax Exemptions; Application for Exemption or Tax Credit. Amend the introductory paragraph of RSA 72:33, I to read as follows:

I. No person shall be entitled to the exemptions or tax credits provided by RSA 72:28, 28-b, 28-c, 29-a, 30, 31, 32, 35, 36-a, 37, 37-a, 37-b, 38-b, 39-b, 62, 66, ~~and~~ 70, **and 88** unless the person has filed with the selectmen or assessors, by April 15 preceding the setting of the tax rate, a permanent application therefor, signed under penalty of perjury, on a form approved and provided by the commissioner of revenue administration, showing that the applicant is the true and lawful

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owner of the property on which the exemption or tax credit is claimed and that the applicant was duly qualified upon April 1 of the year in which the exemption or tax credit is first claimed, or, in the case of financial qualifications, that the applicant is duly qualified at the time of application. The form shall include the following and such other information deemed necessary by the commissioner:

5 Property Tax Exemptions; Appeal From Refusal to Grant Exemption, Deferral, or Tax Credit.
Amend RSA 72:34-a to read as follows:

72:34-a Appeal From Refusal to Grant Exemption, Deferral, or Tax Credit. Whenever the selectmen or assessors refuse to grant an applicant an exemption, deferral, or tax credit to which the applicant may be entitled under the provisions of RSA 72:23, 23-d, 23-e, 23-f, 23-g, 23-h, 23-i, 23-j, 23-k, 28, 28-b, 28-c, 29-a, 30, 31, 32, 35, 36-a, 37, 37-a, 37-b, 38-a, 38-b, 39-a, 39-b, 41, 42, 62, 66, ~~or~~ 70, **or 88** the applicant may appeal in writing, on or before September 1 following the date of notice of tax under RSA 72:1-d, to the board of tax and land appeals or the superior court, which may order an exemption, deferral, or tax credit, or an abatement if a tax has been assessed.

6 Property Tax Exemptions; Interpretations; Rules. Amend RSA 72:36, I to read as follows:

I. The commissioner's interpretation of RSA 72:28, 72:28-b, 72:28-c, 72:29, 72:29-a, 72:30, 72:31, 72:32, 72:33, 72:34, 72:34-a, 72:35, 72:36-a, 72:37, 72:37-a, 72:37-b, 72:38-a, 72:38-b, 72:39-a, 72:39-b, 72:41, 72:62, 72:66, 72:70; 72:85, ~~and~~ 72:87, **and 72:88**; and

7 Effective Date. This act shall take effect 60 days after its passage.