Bill as Introduced

SB 54-FN-LOCAL – AS AMENDED BY THE SENATE

03/27/03 0863s
04/10/03 1099s

2003 SESSION

03-0473
10/09

SENATE BILL ***54-FN-LOCAL***

AN ACT relative to the local inventory of property values for assessment of property taxes.

SPONSORS: Sen. Boyce, Dist 4

COMMITTEE: Public Affairs

AMENDED ANALYSIS

This bill requires local tax officials to assess and collect property taxes on property valued as of April 1, unless otherwise permitted.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

SB 54-FN-LOCAL – AS AMENDED BY THE SENATE

03/27/03 0863s
04/10/03 1099s

03-0473
10/09

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Three

AN ACT relative to the local inventory of property values for assessment of property taxes.

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

1 Department of Revenue Administration; Equalization Procedure. Amend the introductory paragraph of RSA 21-J:9-a to read as follows:

The following procedures shall apply in determining the equalization of property within the cities, towns, and unincorporated places as required by RSA 21-J:3, XIII, ***but shall not affect a municipality's requirements for inventory of property and assessment of taxes as of April 1***:

2 Inventory of Property; September 1 Deadline; Penalty Added. Amend RSA 21-J:34 to read as follows:

I. A report filed by the governing body of each city, town, unincorporated town, and unorganized place, shall certify the number of residents and total valuation of each class of property included in the inventory of residents and ratable estates. This report shall be filed by September 1 of each year[~~, unless this filing date is extended by the commissioner for just cause~~]. ***Municipalities which fail to timely file the report required by this paragraph due to willful neglect or intentional disregard of laws or rules and not reasonable cause shall pay a penalty to the state in the amount of $100 for each day that the report is not timely filed. Within 30 days after the imposition of the penalty by the commissioner, officials of the city, town, or unincorporated place upon which the penalty was imposed may appeal by written application to the board of tax and land appeals or the superior court in the county in which the city, town, or unincorporated place is located. The board of tax and land appeals or the superior court, as the case may be, shall determine de novo the correctness of the commissioner's actions.***

3 Property Taxation; Annual List. Amend RSA 74:1 to read as follows:

74:1 Annual List. The selectmen of each town shall annually, in April, make a list of [~~all the polls~~] ***the total assessed property value,*** and ***shall*** take an inventory of all the estate liable to be taxed in such town on the first day of that month.

4 Revised Inventory; Date Clarified. Amend RSA 75:8, I to read as follows:

I. Annually ***by the first day of the local property tax year***, and in accordance with state assessing standards, the assessors and selectmen shall adjust assessments to reflect changes so that all assessments are reasonably proportional within that municipality. All adjusted assessments ***as***

of the first day of the local property tax year shall be included in the inventory of that municipality and shall be sworn to in accordance with RSA 75:7.

5 Property Tax Inventory List. Amend RSA 76:10 to read as follows:

76:10 Selectmen's Lists and Warrant. A list of all property taxes by them assessed ***as of April 1, or as otherwise permitted by statute,*** shall be made by the selectmen under their hands, with a warrant under their hands and seal. The list shall be directed to the collector of such town, requiring [~~him~~] ***the collector*** to collect the same, and to pay to the town treasurer such sums and at such times as may be therein prescribed. The selectmen shall assess such taxes to the owner as of April 1, or to the current owner, if known. The selectmen of a town or the board of assessors of a city may round off to the nearest dollar the total tax due on each parcel appearing on the list.

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

LBAO
03-0473
1/17/03

SB 54-FN-LOCAL - FISCAL NOTE

AN ACT relative to the implementation of town or city property revaluations.

FISCAL IMPACT:

The Department of Revenue Administration, New Hampshire Municipal Association, and Board of Tax & Land Appeals state this bill will increase state, county, and local expenditures by an indeterminable amount in FY 2004 and each year thereafter. There will be no fiscal impact on state, county, and local revenue.

METHODOLOGY:

The Department of Revenue Administration (DRA) states this bill would impact municipalities' contracts for reappraisals. Currently, contracts for reappraisals typically run up to 30 to 60 days before final tax billings, and moving their time frames up four to five months will most likely increase their costs. In addition, this bill would increase local costs for updating values for certification if implementation of a completed reappraisal was delayed a year.

The New Hampshire Municipal Association states final tax bills are usually sent out in November, and new property values would need to be certified the preceding May, which would not be possible under DRA's certification process. As a result, the use of the new certified values would be delayed until the following year, making them a year out of date. There may be a cost to municipalities from the inability to use the most current values, particularly if the "old" values are no longer accurate and are challenged by taxpayers using evidence of more current but uncertified values. It is not clear how property revaluations occurring in non-certification years (outside of DRA's four-year certification cycle), as well as partial revaluations are to be treated. While the value of property, as it existed on April 1st is the standard, it is generally not possible to have those values finalized six months before the final bill. It is likely that a six month completion and certification requirement would increase costs in that municipalities would have to have additional staff to re-value their properties in a shorter time frame.

The Board of Tax & Land Appeals (BTLA) states because the proposed bill would require DRA certification of the new values before tax bills are sent out, implementation of new values as a result of an reappraisal could not occur until May or June after the effective year of the

reappraisal. Such a delay would require municipalities to review the market and update the re-appraised values for implementation in the subsequent year, thus incurring additional costs on the part of municipalities and some counties (RSA 81 requires county commissioners to assess unincorporated towns and unorganized places). Additional state expenditures would likely occur due to longer and delayed oversight by the Board on RSA 71-B:16 ordered reassessments, and by DRA on their monitoring and re-certification responsibilities. Assuming the reappraisals will correspond with DRA's RSA 21-J:11-b certification schedule, the following number of parcels will be re-appraised each year, and subject to update the following year:

Years	Municipal Parcels	County Parcels
2003-2004	157,757	0
2004-2005	152,539	0
2005-2006	182,921	1,700
2006-2007	151,908	0

Subsequent year value updates using existing physical data is estimated at $10 per parcel. There will also be additional oversight costs for BTLA, as well as monitoring and certification costs for DRA that are indeterminable at this time. Fiscal year value updates are estimated as follows:

Fiscal Year	Municipal Costs	County Costs
2004	$1,577,570	$ 0
2005	$1,525,390	$ 0
2006	$1,829,210	$17,000
2007	$1,519,080	$ 0

LBAO
03-0473
Amended 5/14/03

SB 54 FISCAL NOTE

AN ACT relative to the local inventory of property values for assessment of property taxes.

FISCAL IMPACT:

The Department of Revenue Administration, the New Hampshire Municipal Association, and the Board of Tax & Land Appeals state this bill, as amended by the Senate (Senate Amendments #2003-0863s and #2003-1099s), will increase local expenditures by an indeterminable amount in FY 2004 and each year thereafter. There will be no fiscal impact on state, county, and local revenue or state and county expenditures.

METHODOLOGY:

The Department of Revenue Administration states most appraisal companies and contract personnel hired by municipalities would not be able to accomplish the required work by the April 1st deadline contained in this bill. This would result in increased local expenditures since towns would have to pay additional costs for municipal appraisers, hire other companies outside of the area, or try to accomplish the work in-house. The Department states the increased cost of appraisal services for each municipality cannot be determined but would be significant.

The New Hampshire Municipal Association states the requirement to have the value of all properties by April 1st is a new requirement and would be costly, if not impossible to meet in many communities. To determine before April 1st the condition of property and the value, some municipalities may need to hire additional staff, most likely on a part-time basis. Some municipalities will require additional staff to meet the April 1st deadline, however, the number is unknown and will depend on the size of the municipality.

The Board of Tax & Land Appeals states this bill would require towns to have a list of the total assessed property value as of April 1, as well as taking an inventory as of the same date. To inventory all property under construction as of April 1 and simultaneously value the new property would be a very impractical and nearly impossible task for local assessors. To attempt to value and inventory property as of the same date would require an indeterminable increase in personnel expenditures by municipalities.

Amendments

Rep. Stohl, Coos 1
April 23, 2003
2003-1362h
10/09

Amendment to SB 54-FN-LOCAL Not Used

Amend the title of the bill by replacing it with the following:

AN ACT relative to the local inventory of property values for assessment of property taxes, and relative to municipal property assessment certification goals of the department of revenue administration.

Amend the bill by replacing all after section 5 with the following:

6 Duties of Commissioner of Revenue Administration; Assessment; Equalization. Amend RSA 21-J:3, XXV and XXVI to read as follows:

XXV. Petition the board of tax and land appeals to issue an order for reassessment of property pursuant to the board's powers under RSA 71-B:16-19 whenever the valuation of property, ***for equalization purposes,*** in a particular city, town, or unincorporated place is disproportional to the valuation, ***for equalization purposes,*** of [~~other~~] property [~~within that city, town, or unincorporated place~~] ***in other cities, towns, or unincorporated places in the state, or whenever the municipality has not complied with RSA 75:8-a.***

XXVI. Review ***and report*** each municipality's assessments once within every 5 years [~~and certify the assessments of the municipality if such assessments are valued in accordance with RSA 75:1. In carrying out the duty to certify the assessments of property, the commissioner shall follow the procedures set forth in~~] ***pursuant to*** RSA 21-J:11-a.

7 Assessment Certification Revised; Implementation of Certification. Amend RSA 21-J:11-a and RSA 21-J:11-b to read as follows:

21-J:11-a [~~Certification of Assessments~~] ***Report of Assessment Certification Goal Achievement.***

I. The commissioner shall [~~certify that the assessments of a municipality comply with the provisions of RSA 75:1 when the commissioner determines that~~] ***report the degree to which assessments of a municipality achieve substantial compliance with applicable statutes and rules. The commissioner may consider whether:***

(a) Level of assessments and uniformity of assessments are within [~~acceptable~~] ***suggested*** ranges as prescribed by state assessing standards by considering, where appropriate, an assessment-to-sales-ratio study conducted by the department for the municipality;

(b) Assessment practices substantially comply with applicable statutes and rules;

(c) Exemption[~~,~~] ***and*** credit[~~, and abatement~~] procedures substantially comply with applicable statutes and rules;

(d) Assessments are based on reasonably accurate data; and

(e) Assessments of various types of properties are reasonably proportional to other types of properties within the municipality.

II. [~~If the commissioner does not certify that the assessments of a municipality comply with RSA 75:1, the commissioner shall order in writing those corrective actions, including the time for completion, deemed necessary to assess the municipality's property in accordance with RSA 75:1; and:~~

~~(a) If the governing body of the municipality agrees with the commissioner's determination, the municipality shall complete the corrective actions within the time prescribed by the commissioner.~~

~~(b) If the governing body of the municipality does not agree with the commissioner's determination not to certify its assessments, with the corrective actions ordered, or the time allowed for completion, the commissioner shall petition the board of tax and land appeals to order that the municipality's property is not assessed in accordance with RSA 75:1 and to order such corrective action necessary to ensure that the municipality's assessment are in accordance with RSA 75:1.~~

~~III. The commissioner shall adopt rules under RSA 541-A relative to acceptable ranges of level of assessments and uniformity of assessments, procedures for review of assessment practices, and procedures and forms for the commissioner's certification of assessments. Rules adopted by the commissioner under this paragraph shall remain effective until the assessing standards board adopts rules under RSA 21-J:14-b, II.~~

~~IV.~~] ***The commissioner shall issue a copy of the report upon its completion to the municipality and to the assessing standards board. When issued, the report shall be a public document.***

III. The assessing standards board shall study and recommend to the legislature whether municipalities should be reimbursed for expenses incurred as a result of changes in assessment practices resulting from legislation enacted in response to the judicial interpretation of part 2, article 6 of the New Hampshire constitution in Evelyn Sirrell et al v State of New Hampshire et al and, if reimbursement is appropriate, shall recommend a formula for implementation of a reimbursement program.

21-J:11-b Implementation of Certification.

I. The commissioner of revenue administration shall adopt a schedule so that each city, town, and unincorporated place has its assessments reviewed within 5 years of April 1, 2002, and shall notify each city, town, and unincorporated place, within 60 days of passage of this act, of the property tax year for which their initial ***assessment*** certification ***goal achievement*** review shall occur.

II. The department shall offer training and technical assistance to municipal officials to assist in complying with the provisions of RSA 75:8, RSA 75:8-a, and RSA 21-J:11-a.

III. The commissioner of revenue administration shall report in its annual report, the number of communities assisted and the types of assistance and training provided pursuant to RSA 21-J:10, RSA 21-J:11, and RSA 21-J:11-b, II.

8 Duties of the Assessing Standards Board. Amend RSA 21-J:14-b, I(d) to read as follows:

(d) The establishment of [~~standards~~] ***recommended goals*** for monitoring of local assessment practices by the department of revenue administration, [~~standards~~] ***recommended goals*** for the adequacy of tax maps and other records, and [~~standards~~] ***recommended goals*** for audit by the department of revenue administration of municipalities.

9 Assessing Standards Board; Goals. Amend RSA 21-J:14-b, II to read as follows:

II. All standards***, goals,*** and practices developed or identified by the board, pursuant to this section, shall be reviewed and updated annually. The board shall hold a series of at least 3 public forums annually throughout the state to receive general comment through verbal and written testimony on assessing standards***, goals,*** and practices. After the public forums are concluded and the board has made its recommended changes, in accordance with paragraph III, the board shall proceed to adopt any proposed rules.

10 Setting of Tax Rates. Amend RSA 21-J:35, I to read as follows:

I. The commissioner of revenue administration shall compute and establish the tax rate of each town, city, or unincorporated place. Any [~~decision~~] ***report*** by the commissioner [~~not to certify the assessments~~] ***relative to assessment certification goal achievement*** of a municipality pursuant to RSA 21-J:11-a shall not delay or otherwise affect the setting of the tax rate for that municipality.

11 Property Taxation. Amend RSA 73:10 to read as follows:

73:10 Real Estate. Real and personal property shall be taxed to the person claiming the same, or to the person who is in the possession and actual occupancy thereof, if such person will consent to be taxed for the same; but such real estate shall be taxed in the town in which it is situate. Any [~~decision~~] ***report*** by the commissioner [~~not to certify the assessments~~] ***relative to assessment certification goal achievement*** of a municipality pursuant to RSA 21-J:11-a shall not affect the obligation of the taxpayer to pay property taxes otherwise lawfully assessed.

12 Assessment of Taxes. Amend RSA 76:5 to read as follows:

76:5 What Taxes Assessed. The selectmen shall seasonably assess all state and county taxes for which they have the warrants of the commissioner of revenue administration and county treasurers respectively; all taxes duly voted in their towns; and all school and village district taxes authorized by law or by vote of any school or village district duly certified to them; and all sums required to be assessed by RSA 33 and RSA 21-J:9-c. Any [~~decision~~] ***report*** by the commissioner [~~not to certify the assessments~~] ***relative to assessment certification goal achievement*** of a municipality pursuant

to RSA 21-J:11-a shall not affect the authority of the selectmen to assess taxes.

13 Power of Tax Collector. Amend RSA 80:4 to read as follows:

80:4 Powers of Collector. Every collector, in the collection of taxes committed to him and in the service of his warrant, shall have the powers vested in constables in the service of civil process, which shall continue until all the taxes in his list are collected. Any [~~decision~~] ***report*** by the commissioner [~~not to certify the assessments~~] ***relative to assessment certification goal achievement*** of a municipality pursuant to RSA 21-J:11-a shall not affect the authority of the tax collector to issue tax bills and to exercise all powers contained in this chapter for the collection of taxes.

14 Revenue Administration; Initial Assessment Review Schedule. Amend 2001, 158:63 to read as follows:

158:63 Initial Assessment Review Schedule. The commissioner of revenue administration shall adopt a schedule so that each city, town, and unincorporated place has its assessments reviewed within 5 years and shall notify each municipality, within 60 days of passage of this section, of the property tax year for which their initial ***assessment*** certification ***goal achievement*** review shall occur. The department shall offer training and technical assistance to municipal officials to assist in complying with the provisions of RSA 21-J:11-a, as inserted by this act.

15 Repeal. RSA 21-J:9-b, relative to petition for order of reassessment, is repealed.

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

2003-1362h

AMENDED ANALYSIS

This bill requires local tax officials to assess and collect property taxes on property valued as of April 1, unless otherwise permitted.

This bill also requires the department of revenue administration to establish and report on municipal property tax assessment goals.

Rep. Stohl, Coos 1
May 8, 2003
2003-1550h
10/09

Not Used

Amendment to SB 54-FN-LOCAL

Amend the title of the bill by replacing it with the following:

AN ACT relative to the local inventory of property values for assessment of property taxes, and relative to municipal property assessment certification goals of the department of revenue administration.

Amend the bill by replacing all after section 5 with the following:

6 Findings and Intent; Sections 7-16. The general court recognizes all the work in creating a set of proposed standards for the certification of assessments. There is reason for concern, however, that these standards may have an inequitable impact on municipalities within the state due to differences between municipalities in such characteristics as size, parcel count, number of sales, and geographic location. Therefore, the general court finds that in order for the state to continue to implement fair and equitable assessing practices, it is necessary to further analyze the assessing practices of the state's political subdivisions. This analysis can be accomplished by using the assessing standards board's recommended standards as goals for a measurement tool, rather than as certification requirements, in the first 4 years of the process. The results of measuring these goals can then be analyzed for the state's large and small political subdivisions, with a report to be made to the municipalities and through the assessing standards board to the general court.

7 Duties of Commissioner of Revenue Administration; Assessment; Equalization. Amend RSA 21-J:3, XXV and XXVI to read as follows:

XXV. Petition the board of tax and land appeals to issue an order for reassessment of property pursuant to the board's powers under RSA 71-B:16-19 whenever the valuation of property, ***for equalization purposes,*** in a particular city, town, or unincorporated place is disproportional to the valuation, ***for equalization purposes,*** of [~~other~~] property [~~within that city, town, or unincorporated place~~] ***in other cities, towns, or unincorporated places in the state, or whenever the municipality has not complied with RSA 75:8-a.***

XXVI. Review ***and report*** each municipality's assessments once within every 5 years [~~and certify the assessments of the municipality if such assessments are valued in accordance with RSA 75:1. In carrying out the duty to certify the assessments of property, the commissioner shall follow the procedures set forth in~~] ***pursuant to*** RSA 21-J:11-a, ***II.***

8 Assessment Certification Revised; Implementation of Certification. Amend RSA 21-J:11-a and

RSA 21-J:11-b to read as follows:

21-J:11-a [~~Certification of Assessments~~] ***Report of Assessment Certification Goal Achievement.***

I. The commissioner shall [~~certify that the assessments of a municipality comply with the provisions of RSA 75:1 when the commissioner determines that~~] ***report the degree to which assessments of a municipality achieve substantial compliance with applicable statutes and rules. The commissioner may consider whether***:

(a) Level of assessments and uniformity of assessments are within [~~acceptable~~] ***suggested*** ranges as prescribed by state assessing standards by considering, where appropriate, an assessment-to-sales-ratio study conducted by the department for the municipality;

(b) Assessment practices substantially comply with applicable statutes and rules;

(c) Exemption[~~,~~] ***and*** credit[~~, and abatement~~] procedures substantially comply with applicable statutes and rules;

(d) Assessments are based on reasonably accurate data; and

(e) Assessments of various types of properties are reasonably proportional to other types of properties within the municipality.

II. [~~If the commissioner does not certify that the assessments of a municipality comply with RSA 75:1, the commissioner shall order in writing those corrective actions, including the time for completion, deemed necessary to assess the municipality's property in accordance with RSA 75:1; and:~~

~~(a) If the governing body of the municipality agrees with the commissioner's determination, the municipality shall complete the corrective actions within the time prescribed by the commissioner.~~

~~(b) If the governing body of the municipality does not agree with the commissioner's determination not to certify its assessments, with the corrective actions ordered, or the time allowed for completion, the commissioner shall petition the board of tax and land appeals to order that the municipality's property is not assessed in accordance with RSA 75:1 and to order such corrective action necessary to ensure that the municipality's assessment are in accordance with RSA 75:1.~~

~~III. The commissioner shall adopt rules under RSA 541-A relative to acceptable ranges of level of assessments and uniformity of assessments, procedures for review of assessment practices, and procedures and forms for the commissioner's certification of assessments. Rules adopted by the commissioner under this paragraph shall remain effective until the assessing standards board adopts rules under RSA 21-J:14-b, II.~~

~~IV.~~] ***The commissioner shall issue a copy of the report upon its completion to the municipality and to the assessing standards board. When issued, the report shall be a public document.***

III. The assessing standards board shall study and recommend to the legislature whether

municipalities should be reimbursed for expenses incurred as a result of changes in assessment practices resulting from legislation enacted in response to the judicial interpretation of part 2, article 6 of the New Hampshire constitution in Evelyn Sirrell et al v State of New Hampshire et al and, if reimbursement is appropriate, shall recommend a formula for implementation of a reimbursement program.

21-J:11-b Implementation of Certification.

I. The commissioner of revenue administration shall adopt a schedule so that each city, town, and unincorporated place has its assessments reviewed within 5 years of April 1, 2002, and shall notify each city, town, and unincorporated place, within 60 days of passage of this act, of the property tax year for which their initial ***assessment*** certification ***goal achievement*** review shall occur.

II. The department shall offer training and technical assistance to municipal officials to assist in complying with the provisions of RSA 75:8, RSA 75:8-a, and RSA 21-J:11-a.

III. The commissioner of revenue administration shall report in its annual report, the number of communities assisted and the types of assistance and training provided pursuant to RSA 21-J:10, RSA 21-J:11, and RSA 21-J:11-b, II.

9 Duties of the Assessing Standards Board. Amend RSA 21-J:14-b, I(d) to read as follows:

(d) The establishment of [~~standards~~] ***recommended goals*** for monitoring of local assessment practices by the department of revenue administration, [~~standards~~] ***recommended goals*** for the adequacy of tax maps and other records, and [~~standards~~] ***recommended goals*** for audit by the department of revenue administration of municipalities.

10 Assessing Standards Board; Goals. Amend RSA 21-J:14-b, II to read as follows:

II. All [~~standards~~] ***goals*** and practices developed or identified by the board, pursuant to this section, shall be reviewed and updated annually. The board shall hold a series of at least 3 public forums annually throughout the state to receive general comment through verbal and written testimony on assessing [~~standards~~] ***goals*** and practices. After the public forums are concluded and the board has made its recommended changes, in accordance with paragraph III, the board shall proceed to adopt any proposed rules.

11 Setting of Tax Rates. Amend RSA 21-J:35, I to read as follows:

I. The commissioner of revenue administration shall compute and establish the tax rate of each town, city, or unincorporated place. Any [~~decision~~] ***report*** by the commissioner [~~not to certify the assessments~~] ***relative to assessment certification goal achievement*** of a municipality pursuant to RSA 21-J:11-a shall not delay or otherwise affect the setting of the tax rate for that municipality.

12 Property Taxation. Amend RSA 73:10 to read as follows:

73:10 Real Estate. Real and personal property shall be taxed to the person claiming the same, or to the person who is in the possession and actual occupancy thereof, if such person will consent to

be taxed for the same; but such real estate shall be taxed in the town in which it is situate. Any [~~decision~~] ***report*** by the commissioner [~~not to certify the assessments~~] ***relative to assessment certification goal achievement*** of a municipality pursuant to RSA 21-J:11-a shall not affect the obligation of the taxpayer to pay property taxes otherwise lawfully assessed.

13 Assessment of Taxes. Amend RSA 76:5 to read as follows:

76:5 What Taxes Assessed. The selectmen shall seasonably assess all state and county taxes for which they have the warrants of the commissioner of revenue administration and county treasurers respectively; all taxes duly voted in their towns; and all school and village district taxes authorized by law or by vote of any school or village district duly certified to them; and all sums required to be assessed by RSA 33 and RSA 21-J:9-c. Any [~~decision~~] ***report*** by the commissioner [~~not to certify the assessments~~] ***relative to assessment certification goal achievement*** of a municipality pursuant to RSA 21-J:11-a shall not affect the authority of the selectmen to assess taxes.

14 Power of Tax Collector. Amend RSA 80:4 to read as follows:

80:4 Powers of Collector. Every collector, in the collection of taxes committed to him and in the service of his warrant, shall have the powers vested in constables in the service of civil process, which shall continue until all the taxes in his list are collected. Any [~~decision~~] ***report*** by the commissioner [~~not to certify the assessments~~] ***relative to assessment certification goal achievement*** of a municipality pursuant to RSA 21-J:11-a shall not affect the authority of the tax collector to issue tax bills and to exercise all powers contained in this chapter for the collection of taxes.

15 Revenue Administration; Initial Assessment Review Schedule. Amend 2001, 158:63 to read as follows:

158:63 Initial Assessment Review Schedule. The commissioner of revenue administration shall adopt a schedule so that each city, town, and unincorporated place has its assessments reviewed within 5 years and shall notify each municipality, within 60 days of passage of this section, of the property tax year for which their initial ***assessment*** certification ***goal achievement*** review shall occur. The department shall offer training and technical assistance to municipal officials to assist in complying with the provisions of RSA 21-J:11-a, as inserted by this act.

16 Repeal. RSA 21-J:9-b, relative to petition for order of reassessment, is repealed.

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

2003-1550h

AMENDED ANALYSIS

This bill requires local tax officials to assess and collect property taxes on property valued as of April 1, unless otherwise permitted.

This bill also requires the department of revenue administration to establish and report on municipal property tax assessment goals.

Municipal and County Government
May 21, 2003
2003-1750h
10/09

Amendment to SB 54-FN-LOCAL

Amend the title of the bill by replacing it with the following

AN ACT relative to the local inventory of property values for assessment of property taxes, and relative to municipal property assessment certification goals of the department of revenue administration.

Amend the bill by replacing all after the enacting clause with the following:

1 Department of Revenue Administration; Equalization Procedure. Amend the introductory paragraph of RSA 21-J:9-a to read as follows:

The following procedures shall apply in determining the equalization of property within the cities, towns, and unincorporated places as required by RSA 21-J:3, XIII, ***but shall not affect a municipality's requirements for inventory of property and assessment of taxes as of April 1***:

2 Inventory of Property; September 1 Deadline; Penalty Added. Amend RSA 21-J:34 to read as follows:

I. A report filed by the governing body of each city, town, ***or*** unincorporated [~~town, and unorganized~~] place, shall certify the number of residents and total valuation of each class of property included in the inventory of residents and ratable estates. This report shall be filed by September 1 of each year, unless this filing date is extended by the commissioner for just cause. ***Municipalities which fail to timely file the report required by this paragraph due to willful neglect or intentional disregard of laws or rules and not reasonable cause shall pay a penalty to the state in the amount of $100 for each day that the report is not timely filed. Within 30 days after the imposition of the penalty by the commissioner, officials of the city, town, or unincorporated place upon which the penalty was imposed may appeal by written application to the board of tax and land appeals or the superior court in the county in which the city, town, or unincorporated place is located. The board of tax and land appeals or the superior court, as the case may be, shall determine de novo the correctness of the commissioner's actions.***

3 Property Taxation; Annual List. Amend RSA 74:1 to read as follows:

74:1 Annual List. The selectmen of each town shall annually[~~, in April,~~] make a list of all the polls and ***shall*** take an inventory of all the estate liable to be taxed in such town [~~on the first day of that month~~] ***as of April 1***.

4 Gender Neutral; Property Tax Inventory List. Amend RSA 76:10 to read as follows:

76:10 Selectmen's Lists and Warrant. A list of all property taxes by them assessed shall be made by the selectmen under their hands, with a warrant under their hands and seal. The list shall be directed to the collector of such town, requiring [~~him~~] ***the collector*** to collect the same, and to pay to the town treasurer such sums and at such times as may be therein prescribed. The selectmen shall assess such taxes to the owner as of April 1, or to the current owner, if known. The selectmen of a town or the board of assessors of a city may round off to the nearest dollar the total tax due on each parcel appearing on the list.

5 Findings and Intent; Sections 6-15. The general court recognizes all the work in creating a set of proposed standards for the certification of assessments. There is reason for concern, however, that these standards may have an inequitable impact on municipalities within the state due to differences between municipalities in such characteristics as size, parcel count, number of sales, and geographic location. Therefore, the general court finds that in order for the state to continue to implement fair and equitable assessing practices, it is necessary to further analyze the assessing practices of the state's political subdivisions. This analysis can be accomplished by using the assessing standards board's recommended standards as goals for a measurement tool, rather than as certification requirements, in the first 4 years of the process. The results of measuring these goals can then be analyzed for the state's large and small political subdivisions, with a report to be made to the municipalities and through the assessing standards board to the general court.

6 Duties of Commissioner of Revenue Administration; Assessment; Equalization. Amend RSA 21-J:3, XXV and XXVI to read as follows:

XXV. Petition the board of tax and land appeals to issue an order for reassessment of property pursuant to the board's powers under RSA 71-B:16-19 whenever the valuation of property, ***for equalization purposes,*** in a particular city, town, or unincorporated place is disproportional to the valuation, ***for equalization purposes,*** of [~~other~~] property [~~within that city, town, or unincorporated place~~] ***in other cities, towns, or unincorporated places in the state, or whenever the municipality has not complied with RSA 75:8-a.***

XXVI. Review ***and report*** each municipality's assessments once within every 5 years [~~and certify the assessments of the municipality if such assessments are valued in accordance with RSA 75:1. In carrying out the duty to certify the assessments of property, the commissioner shall follow the procedures set forth in~~] ***pursuant to*** RSA 21-J:11-a, ***II.***

7 Assessment Certification Revised; Implementation of Assessment Goals. Amend RSA 21-J:11-a and RSA 21-J:11-b to read as follows:

21-J:11-a [~~Certification of Assessments~~] ***Report of Assessment Certification Goal Achievement.***

I. The commissioner shall [~~certify that the assessments of a municipality comply with the provisions of RSA 75:1 when the commissioner determines that~~] ***report the degree to which assessments of a municipality achieve substantial compliance with applicable statutes and***

rules. The commissioner may consider whether:

(a) Level of assessments and uniformity of assessments are within [~~acceptable~~] ***suggested*** ranges as prescribed by state assessing standards by considering, where appropriate, an assessment-to-sales-ratio study conducted by the department for the municipality;

(b) Assessment practices substantially comply with applicable statutes and rules;

(c) Exemption[~~,~~] ***and*** credit[~~, and abatement~~] procedures substantially comply with applicable statutes and rules;

(d) Assessments are based on reasonably accurate data; and

(e) Assessments of various types of properties are reasonably proportional to other types of properties within the municipality.

II. [~~If the commissioner does not certify that the assessments of a municipality comply with RSA 75:1, the commissioner shall order in writing those corrective actions, including the time for completion, deemed necessary to assess the municipality's property in accordance with RSA 75:1; and:~~

~~(a) If the governing body of the municipality agrees with the commissioner's determination, the municipality shall complete the corrective actions within the time prescribed by the commissioner.~~

~~(b) If the governing body of the municipality does not agree with the commissioner's determination not to certify its assessments, with the corrective actions ordered, or the time allowed for completion, the commissioner shall petition the board of tax and land appeals to order that the municipality's property is not assessed in accordance with RSA 75:1 and to order such corrective action necessary to ensure that the municipality's assessment are in accordance with RSA 75:1.~~

~~III. The commissioner shall adopt rules under RSA 541-A relative to acceptable ranges of level of assessments and uniformity of assessments, procedures for review of assessment practices, and procedures and forms for the commissioner's certification of assessments. Rules adopted by the commissioner under this paragraph shall remain effective until the assessing standards board adopts rules under RSA 21-J:14-b, II.~~

~~IV.~~] ***The commissioner shall issue a copy of the report upon its completion to the municipality and to the assessing standards board. When issued, the report shall be a public document.***

III. The assessing standards board shall study and recommend to the legislature whether municipalities should be reimbursed for expenses incurred as a result of changes in assessment practices resulting from legislation enacted in response to the judicial interpretation of part 2, article 6 of the New Hampshire constitution in Evelyn Sirrell et al v State of New Hampshire et al and, if reimbursement is appropriate, shall recommend a formula for implementation of a reimbursement program.

21-J:11-b Implementation of [~~Certification~~] ***Assessment Goals***.

I. The commissioner of revenue administration shall adopt a schedule so that each city, town, and unincorporated place has its assessments reviewed within 5 years of April 1, 2002, and shall notify each city, town, and unincorporated place, within 60 days of passage of this act, of the property tax year for which their initial ***assessment*** certification ***goal achievement*** review shall occur.

II. The department shall offer training and technical assistance to municipal officials to assist in complying with the provisions of RSA 75:8, RSA 75:8-a, and RSA 21-J:11-a.

III. The commissioner of revenue administration shall report in its annual report, the number of communities assisted and the types of assistance and training provided pursuant to RSA 21-J:10, RSA 21-J:11, and RSA 21-J:11-b, II.

8 Duties of the Assessing Standards Board. Amend RSA 21-J:14-b, I(d) to read as follows:

(d) The establishment of [~~standards~~] ***recommended goals*** for monitoring of local assessment practices by the department of revenue administration, [~~standards~~] ***recommended goals*** for the adequacy of tax maps and other records, and [~~standards~~] ***recommended goals*** for audit by the department of revenue administration of municipalities.

9 Assessing Standards Board; Goals. Amend RSA 21-J:14-b, II to read as follows:

II. All [~~standards~~] ***goals*** and practices developed or identified by the board, pursuant to this section, shall be reviewed and updated annually. The board shall hold a series of at least 3 public forums annually throughout the state to receive general comment through verbal and written testimony on assessing [~~standards~~] ***goals*** and practices. After the public forums are concluded and the board has made its recommended changes, in accordance with paragraph III, the board shall proceed to adopt any proposed rules.

10 Setting of Tax Rates. Amend RSA 21-J:35, I to read as follows:

I. The commissioner of revenue administration shall compute and establish the tax rate of each town, city, or unincorporated place. Any [~~decision~~] ***report*** by the commissioner [~~not to certify the assessments~~] ***relative to assessment certification goal achievement*** of a municipality pursuant to RSA 21-J:11-a shall not delay or otherwise affect the setting of the tax rate for that municipality.

11 Property Taxation. Amend RSA 73:10 to read as follows:

73:10 Real Estate. Real and personal property shall be taxed to the person claiming the same, or to the person who is in the possession and actual occupancy thereof, if such person will consent to be taxed for the same; but such real estate shall be taxed in the town in which it is situate. Any [~~decision~~] ***report*** by the commissioner [~~not to certify the assessments~~] ***relative to assessment certification goal achievement*** of a municipality pursuant to RSA 21-J:11-a shall not affect the obligation of the taxpayer to pay property taxes otherwise lawfully assessed.

12 Assessment of Taxes. Amend RSA 76:5 to read as follows:

76:5 What Taxes Assessed. The selectmen shall seasonably assess all state and county taxes for

which they have the warrants of the commissioner of revenue administration and county treasurers respectively; all taxes duly voted in their towns; and all school and village district taxes authorized by law or by vote of any school or village district duly certified to them; and all sums required to be assessed by RSA 33 and RSA 21-J:9-c. Any [~~decision~~] ***report*** by the commissioner [~~not to certify the assessments~~] ***relative to assessment certification goal achievement*** of a municipality pursuant to RSA 21-J:11-a shall not affect the authority of the selectmen to assess taxes.

13 Power of Tax Collector. Amend RSA 80:4 to read as follows:

80:4 Powers of Collector. Every collector, in the collection of taxes committed to him and in the service of his warrant, shall have the powers vested in constables in the service of civil process, which shall continue until all the taxes in his list are collected. Any [~~decision~~] ***report*** by the commissioner [~~not to certify the assessments~~] ***relative to assessment certification goal achievement*** of a municipality pursuant to RSA 21-J:11-a shall not affect the authority of the tax collector to issue tax bills and to exercise all powers contained in this chapter for the collection of taxes.

14 Revenue Administration; Initial Assessment Review Schedule. Amend 2001, 158:63 to read as follows:

158:63 Initial Assessment Review Schedule. The commissioner of revenue administration shall adopt a schedule so that each city, town, and unincorporated place has its assessments reviewed within 5 years and shall notify each municipality, within 60 days of passage of this section, of the property tax year for which their initial ***assessment*** certification ***goal achievement*** review shall occur. The department shall offer training and technical assistance to municipal officials to assist in complying with the provisions of RSA 21-J:11-a, as inserted by this act.

15 Repeal. RSA 21-J:9-b, relative to petition for order of reassessment, is repealed.

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

2003-1750h

AMENDED ANALYSIS

This bill clarifies the duty of local tax officials to assess and collect property taxes on property valued as of April 1.

This bill also requires the department of revenue administration to establish and report on municipal property tax assessment goals.

Speakers

SIGN UP SHEET

To Register Opinion If Not Speaking

Bill # SB 54-FN-L Date April 23, 2003

Committee Municipal & County Government

**** Please Print All Information ****

Name	Address	Phone	Representing	(check one) Pro	Con
Karen Marchant	Town of Londonderry	432-1100 X110			✓
Bill Ingalls	Town of Bedford	472-8104			✓

Hearing Minutes

HOUSE COMMITTEE ON MUNICIPAL AND COUNTY GOVERNMENT

PUBLIC HEARING ON SB 54-FN-L

BILL TITLE: (New Title) relative to the local inventory of property values for assessment of property taxes.

DATE: April 23, 2003

LOB ROOM: 301-302 **Time Public Hearing Called to Order:** 2:15 PM

Time ~~Adjourned~~ Recessed: 4:10 PM

(please circle if present)

Committee Members: Reps. Patten, Brundige, Lockwood, Twombly, Boyce, Dumaine, Stohl, Noyes, Buhlman, Doyle, C. Dunne, Dupuis, Gillick, Gould, M. Pappas, N. Johnson, M. Cooney, Davidson, Osborne, Schmidt, and Theberge.

Bill Sponsors: Sen. Boyce, Dist 4

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Sen. Boyce, Dist 4
Property owner had letter with one assessment. Tax bill had higher assessment; set rentals based on first amount.

Sen. Greene, Dist 6
Author of amendment. Sales chasing after April 1. Intent was not to set on April 1 but by September 1. DRA can extend that date. Other examples of having a written assessment which is different is when tax bill comes. Intent is to reinforce law.

Rep. Newton, Rochester
Changed October 24th.

Michael Fidele, Concord
Opposed. Ability to do everything in April. Are not enough appraisers in the state. Fairness and proportionally as to market value. If can't adjust, can't correct up or down. Market data for April won't be available until May. Improvement data on _____ until mid-April. Problem is more of a notice issue than fairness issue.

Angelo Marino, Nashua Assessor
Opposed. Impossible to do as of April 1st. Sales used are not available by April 1st. Also equalization by DRA not even known for several months to adjust. Trying to capture the snapshot in time of April 1st. Bottom of pg. 1 "by" first day of April is a problem. Have other things to do. Exemptions, abatements. Believes DRA should be able to extend deadline of M-1 form. Usually amounts to 30 days.

Norm Bernaiche, Lebanon City Assessor

"Just cause" words should be in the bill. Sales analysis done on regular basis – valued "as of" April 1st. Rent received helps to ascertain value of rental property. Lebanon has a local ordinance which indicates when notices of assessment must be sent.

Steve Tillier, City of Manchester Assessor

One issue here is cost. Onerous in personnel and cost to get the list by April 1st. Doesn't think this bill is necessary. Some of the issues will be discussed by the Assessing Standards Board.

Kathy Tempchack, City of Laconia Assessor

Arriving at value as of April 1st is a yearlong job. Exemptions aren't filed until April 15th. Impossible to put a "list" by April 1st. Can get assessments based on "as of April 1st."

Judy Silva, NH Municipal Association

Opposes the bill. Agrees with the previous assessors.

Barbara Reid, DRA

It is the valuation as of April 1st, not that it has to be physically assessed by April 1st. Notification is a public relations issue. DRA recommends notification. There are penalty fines that DRA can use but seldom does. Intends to formalize reasons for extensions for filing MS-1.

Rep. Stohl, Dist 1

Has an amendment. 2003-1362h.

Respectfully submitted,

Priscilla P. Lockwood

Priscilla P. Lockwood, Clerk
Municipal and County Government

Continued from Apr. 23

HOUSE COMMITTEE ON MUNICIPAL AND COUNTY GOVERNMENT

CONTINUED PUBLIC HEARING ON SB 54-FN-L

BILL TITLE: (New Title) relative to the local inventory of property values for assessment of property taxes.

DATE: April 30, 2003

LOB ROOM: 301 **Time Public Hearing Called to Order:** 1:32pm

Time Adjourned: 2:18pm

(please circle if present)

Committee Members: Reps. (Patten) (Brundige) (Lockwood) (Twombly) (Boyce) Dumaine (Stohl) Noyes, Buhlman, Doyle, C. Dunne, Dupuis (Gillick) (Gould) M. Pappas, (N. Johnson) (M. Cooney) Davidson, Osborne (Schmidt) and (Theberge).

Bill Sponsors: Sen. Boyce

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Barbara Reid, representing Department of Revenue (DRA) stated that she had spoken with Rep. Stohl and feels that this amendment won't work. "Goals to be achieved" is not the intent of our laws and constitution. She stated that all the assessing laws need to be complied with, not goals to be achieved, but laws to be obeyed. She further stated that there are other ways to take care of problems of small towns without many sales. Level & uniformity and proportionality are the two standards to be met in the assessment that affect certification.

Steve Tellier, Chairman, Board of Assessors, Manchester NH, stated that the point of the assessment standards board is to make the process fair for all municipalities. He stated that the rules worked out are reasonable and fair for all towns. He noted that it is harder for small towns to keep low COD but that there are ways to take this into consideration. The goal of the board is to reduce subjectivity.

Judy Silva, New Hampshire Municipal Association, stated that because of early submission and unadvertised amendment in the Senate, this House hearing is really the first time many could testify. She feels that assessing standards and certification are two separate things. She is wary of the cost of the certification process.

Respectfully submitted,

Priscilla P. Lockwood

Priscilla P. Lockwood, Clerk

Testimony

File SB 54

CERTIFICATION STANDARDS
Based on Assessing Standards Board Rules
ASB 500 2/25/03

1	2	3	4	5
504.01 Level and Uniformity of Assessments	**504.02 Assessing Practices**	**504.03 Exemptions and Credits**	**504.04 Data Accuracy**	**504.05 Proportionality**
(a)Ratio 90% - 110% with 90% confidence level	**(a) RSA 91-A access**	**(a)Periodic review by town** (b) 1st Cycle by 12/31/04	**(a)** 80% of property record cards must be free of **material errors**	**(a) PRD** (Price Related Differential) between 98%- 103% with 90% confidence level No effect on certification 1st cycle, (report to ASB).
(b) COD (Coefficient of Dispersion) of median ratio not greater than 20 (no confidence interval)	**(b) 95% of sample:** (1) - Must reflect April 1 value (2) - Must reflect construction done by April 1 and (not after)	**(c)** Religious - BTLA A-9 **(c)** Educational - BTLA A-9 **(c)** Charitable – BTLA A-9	**(c)(3)** Verify accuracy of **data elements**. No effect on certification, (report to ASB).	**(b)** Median ratio, with 90% confidence level all **strata** within 5% of overall median point estimate -Improved Residential - Improved Non-Residential - Unimproved Property
	(c)Have revised inventory program – RSA 75:8	**(d)** Charitable - BTLA A-12		
	(d) Tax Maps (1.1) - Show Correct Location (1.2)- Drawn to scale (2) - Updated annually (3)a - Indexed by owner's name (3)b - Indexed by parcel identifier		**(c) 2nd Certification Yr** (4)- 80% of property record cards must be free of material errors - 85% of data elements are accurate on 80% of samples	
	(e) 85% of Current Use Must: (1) - Form A-10 timely filed (2)- Form CU-12 timely filed (3)- Valued per CUB 304 (4) - Land Use Change Tax			
	(f)Appraisal Contracts to DRA (1) - Submitted Prior to start (2)-Include personnel in contract			

File SB 54

Good afternoon madam chairman and honorable member sof the committee.

My name is Eric Stohl and I represent District 1 which is in Coos County. The towns I represent are Pittsburg, Clarksville, Stewartstown, Colebrook, Columbia, Dixville, Millsfield, Errol, Dummer, Cambridge, and Wentworth Location. I am also a selectman for the town of Columbia.

I would like to set the stage, if I may, for the reason that I feel is why we are at this juncture. The Assessing Standards Board was created in response to the ***Sirrell v. State*** superior court decision. As a result, a framework of how things were going to work was already established prior to the Supreme Court's ***Sirrell*** decision. There were two bills that were enacted into law in 2001 that address the issues that we are dealing with today. They were SB 193 and HB 170. In both of these bills, the commissioner of the department of revenue administration and the assessing standards board were given the task of reviewing assessment practices that were being done in all of the municipalities. The reason for this was to determine if in fact there was anything wrong out there to start with. **This has not been done. What happened instead was to determine HOW IT SHOULD BE DONE and establish the procedure to be followed by all municipalities; large and small. The Supreme Court's *Sirrell* decision noted that there were "flaws" in the system being used, BUT it went on to say "while the evidence showed the State failed to ensure municipal assessments every five years, it did not show that this failure resulted in disproportionate taxation." The Court concluded "that the State must implement appropriate enforcement measures to ensure that each municipality assesses property within its borders every five years. PERIOD!!!**

RSA 21-J:11-a, IV, which became law via HB 170, states "The assessing standards board shall study and recommend to the legislature whether municipalities should be reimbursed for expenses incurred as a result of changes in assessment practices resulting from legislation enacted in response to the judicial interpretation of part 2, article 6 of the New Hampshire constitution in Evelyn Sirrell et al v State of New Hampshire et al and , if reimbursement is appropriate, shall recommend a formula for implementation of a reimbursement program."
THIS HAS NOT BEEN DONE. WHEN A MUNICIPALITY IS REQUIRED TO CHANGE THE WAY IT DOES BUSINESS, THERE IS ALWAYS GOING TO BE FINANCIAL CONSEQUENCES.

Part I, Article 28 of the New Hampshire Constitution states that "no subsidy, charge, tax, impost, or duty, shall be established, fixed, laid or levied, under any pretext whatsoever, without the consent of the people, or their representatives in legislature, or authority derived from that body." Part I, Article 28-a continues by stating "the state shall not mandate or assign any new, expanded or modified programs or responsibilities to any political subdivision in such a way as to necessitate additional local expenditures by the political subdivision unless such programs or responsibilities are approved for funding by a vote of the local legislative body of the political subdivision."

The New Hampshire General Court, Assessing Standards Board, nor the Equalization Standards Board have identified a method by which funding will be provided to the municipalities for reimbursement for additional duties imposed upon them by enacting SB 193 and HB 170 of the year 2001.

HB 170 adds an additional duty to the commissioner under RSA 21-J:3 by mandating he "certify the assessments of the municipality if such assessments are valued in accordance with

RSA 75:1. In carrying out the duty to certify the assessments of the property, **the commissioner shall follow the procedures set forth in RSA 21-J:11-a."** This is adding weight to the power of RSA 21-J:11-a which is one of the major mandates that change municipality assessment practices.

Under HB 170, RSA 21-J:11-a was made a law. This mandates that municipalities' "level of assessments and uniformity of assessments are within acceptable ranges **as prescribed by state assessing standards."** RSA 21-J:11-a, III gives the commissioner the power to adopt rules "relative to acceptable ranges of level of assessments and uniformity of assessments, procedures for review of assessing practices, and procedures and forms for the commissioner's **certification of assessments.** Rules adopted by the commissioner under this paragraph shall remain effective until the assessing standards board adopts rules under RSA 21-J:14-b, II. THIS WILL BE ANOTHER FINCANCIAL BURDEN TO THE MUNICIPALITIES.

Under HB 170, a provision in SB 193 was amended. RSA 21-J:9-b is amended to read "Petition for Order of Reassessment. The commissioner, in petitioning for an order of reassessment pursuant to RSA 21-J:3, XXV, may consider any information that indicates that property in a city, town, or incorporated place is valued disproportionately to other property within that municipality in determining whether to petition the board of land and tax appeals to issue an order for reassessment. Additionally, the commissioner shall petition the board of land and tax appeals to issue an order for reassessment of property if the following criteria are met:

I. The commissioner's most recent annual sales-assessment ratio study indicates that the coefficient of dispersion exceeds **20.** This mandate does not work

RSA 21-J:14-b is the statutory authority for the Assessing Standards Boards to adopt rules. These proposed Assessing Standards Boards' rules are a direct reflection of the purpose of the RSAs that I have just spoke of. The RSA's and these rules will add additional duties and responsibilities to the municipalities without a funding mechanism for reimbursement. In that context, they are 28-a issues.

What needs to be done, is there has to be a "baseline" accounting of the assessing practices in the State of New Hampshire. This will determine whether any municipality is doing anything wrong in its assessing practices or not. There may not be a need to establish a completely new statewide method of assessing property. But if a new assessing method is needed, it will have to address the differences between large municipalities and small. As proposed in these rules, the small communities that will have fewer sales than their larger neighbors will be adversely affected. The certification process should be put off until this baseline has been created and any problems associated with the current assessing levels and practices have been identified.

Therefore, "assessing guidelines" for equality in valuation and uniformity of tax rates should be instituted and the Department of Revenue Administration should be available to the municipalities for assistance if requested.

I am submitting legislation in the form of an amendment to address these same issues legislatively. I thank you for allowing me to testify today.

Eric Stohl

Rep. Eric Stohl
District 1

File SB 54

Additional Comments

The oath that the selectmen take under RSA 75:7 was amended in HB 170 to reflect the fact that they "certify under the penalty of perjury that in making the inventory for the purpose of assessing the foregoing taxes, all taxable property was valued in accordance with RSA 75:8, to the best of our knowledge and belief." **The old RSA 75:8 was repealed and reenacted spelling out new standards.** THIS WILL BE ANOTHER FINANCIAL BURDEN TO THE MUNICIPALITIES.

Under HB 170, RSA 21-J:11-b, Implementation of Certification became law. RSA 21-J:11-b, II states "The department shall offer training and technical assistance to municipal officials to assist in **complying with the provisions of RSA 75:8, RSA 75:8-a, and RSA 21-J:11-a."** THIS WILL BE ANOTHER FINAINCIAL BURDEN ON THE MUNICIPALITIES.

Under HB 170, another provision of SB 193 and now RSA 21-J:14-f, I is amended to state that **"elected officials making appraisals"** shall be certified and provides statutory authority to adopt rules **"relative to qualifications for certification, standards for continuing education, and standards for revocation or suspension of certification."** Rules adopted by the commissioner under this paragraph shall remain effective until the assessing standards board adopts rules under RSA 21-J:14-b, I©.

RSAs that were enacted after Nov. 28, 1984(unfunded state mandates)
21-J:3 - Duties of the Commissioner
21-J:9 - Division of Property Appraisal
21-J:9-a - Equalization Procedure
21-J:9-b - Petition for order of Reassessment
21-J:9-c - Orders of reassessment
21-J:11 - Appraisals of Property for Ad Valorem Tax Purposes
21-J:11-a - Certification of Assessments
21-J:13 - Rulemaking Authority
21-J:14-b - Powers and Duties of the Board(assessing)
21-J:14-d - Powers and Duties of the Board(equalization)
21-J:14-e - Auditing Authority
21-J:14-f - Certification Required
AND MANY OTHERS

File SB 54

City of Rochester, New Hampshire

Assessor's Office
19 Wakefield Street
Rochester, New Hampshire 03867-1915

Telephone
(603) 332-5109
Fax
(603) 335-7591

July 15, 2002

NEWTON CLIFFORD A & BONNIE A
168 OLD DOVER RD
ROCHESTER, NH, 03867-4548

Subj.: Notice of Change in Valuation, Effective April 1, 2002.

Ref.: 0253-0003-0000
168 OLD DOVER RD

Dear Property Owner:

In accordance with New Hampshire State Statutes RSA 75-1, the Assessors are responsible to maintain Equitable Market Value Assessments. Based on current market conditions and information pertaining to your property on file with this office, the appraised/assessed market value has been revised as stated below.

If you have evidence that indicates that your property is not currently worth this appraised value, please call 332-5109, by August 23, 2002. One of our appraisers will make a physical inspection of your real estate and present your evidence to the Board of Assessors. Please refer to this notice when calling, so that we can quickly access your file.

Revised (as of April 1, 2002) Appraised/Assessed Value: $152,500

Please Note:

1. This value will be used in the calculation of the December bill.
2. These values do not include deductions for Elderly, Disabled and Blind Exemptions or Veterans Credits.
3. The tax rate that will be applied against this assessment will be set this fall by the State of New Hampshire.

Sincerely,

Board of Assessors

File SB54

City of Rochester
Tax Collector
19 Wakefield Street
Rochester, NH 03867-1915
OFFICE HOURS - Monday thru Friday 8 a.m. to 5 p.m.

2002 PROPERTY TAX BILL

Remit Copy

Please write your parcel number on your check and enclose this portion of bill with your payment.
Make checks payable to: City of Rochester

Bill Number	Bill Date	Parcel	Location
7299	12/04/2002	0253-0003-0000	168 OLD DOVER RD

Amount Due
$1,901.00

NEWTON CLIFFORD A & BONNIE A
168 OLD DOVER RD
ROCHESTER, NH 03867-4548

Please Note Address & Owner Correction Below:

Name _____

Street _____

City _____ State _____ Zip _____

9209208200240000729910000190100 8

✂ Detach and return the above portion with your payment ✂

City of Rochester
Tax Collector
19 Wakefield Street
Rochester, NH 03867-1915
OFFICE HOURS - Monday thru Friday 8 a.m. to 5 p.m.

2002 PROPERTY TAX BILL

Customer Copy
Keep this portion for your records

Customer	Location
NEWTON CLIFFORD A & BONNIE A	168 OLD DOVER RD

Bill Date	Bill Number	Parcel	Tax Year	Interest Begins
12/04/2002	7299	0253-0003-0000	2002	01/13/2003

Unpaid Taxes are Subject to Interest at	After	State School Tax	Local School Tax	County Tax	City Tax	Total Tax Rate
12%	01/12/2003	4.80	7.73	1.98	5.92	20.43

Valuations	
LAND	57,200
CURRENT USE	0
BUILDINGS	99,800

Exemptions	
ELDERLY	0
BLIND	0
DISABLED	0

Taxable Valuation	
NET	157,000

Tax Rate Per 1000	
TOTAL GROSS TAX	3,208.00
LESS VETERANS CREDIT	0.00
LESS JULY PAYMENTS	-1,307.00
INTEREST DUE ON JULY BILL	0.00

Total Due This Bill
$1,901.00

Previous Unpaid Taxes Due - Includes Interest Thru 01/12/2003

Year	Date	Balance	Interest	Total Previous Unpaid Taxes Due
				$0.00

IMPORTANT TAXPAYER INFORMATION LOCATED ON BACK OF BILL

PAYMENTS MUST BE POSTMARKED BY JANUARY 12, 2003
TO AVOID FINANCE CHARGES.

File SB 54

✂ Detach and return the above portion with your payment ✂

City of Rochester
Tax Collector
19 Wakefield Street
Rochester, NH 03867-1915
OFFICE HOURS - Monday thru Friday 8 a.m. to 5 p.m.

Pd ck # 2096

2002 PROPERTY TAX BILL

Customer Copy
Keep this portion for your records

Customer	Location
NEWTON CLIFFORD A & BONNIE A	168 OLD DOVER RD

Bill Date	Bill Number	Parcel	Tax Year	Interest Begins
05/23/2002	7299	0253-0003-0000	2002	07/02/2002

Unpaid Taxes are Subject to Interest at	After	State School Tax	Local School Tax	County Tax	City Tax	Total Tax Rate
12%	07/1/2002	3.13	4.86	1.29	3.14	12.42

Valuations	
LAND	38,600
CURRENT USE	0
BUILDINGS	66,700

Exemptions	
ELDERLY	0
BLIND	0
DISABLED	0

Taxable Valuation	
NET	105,300

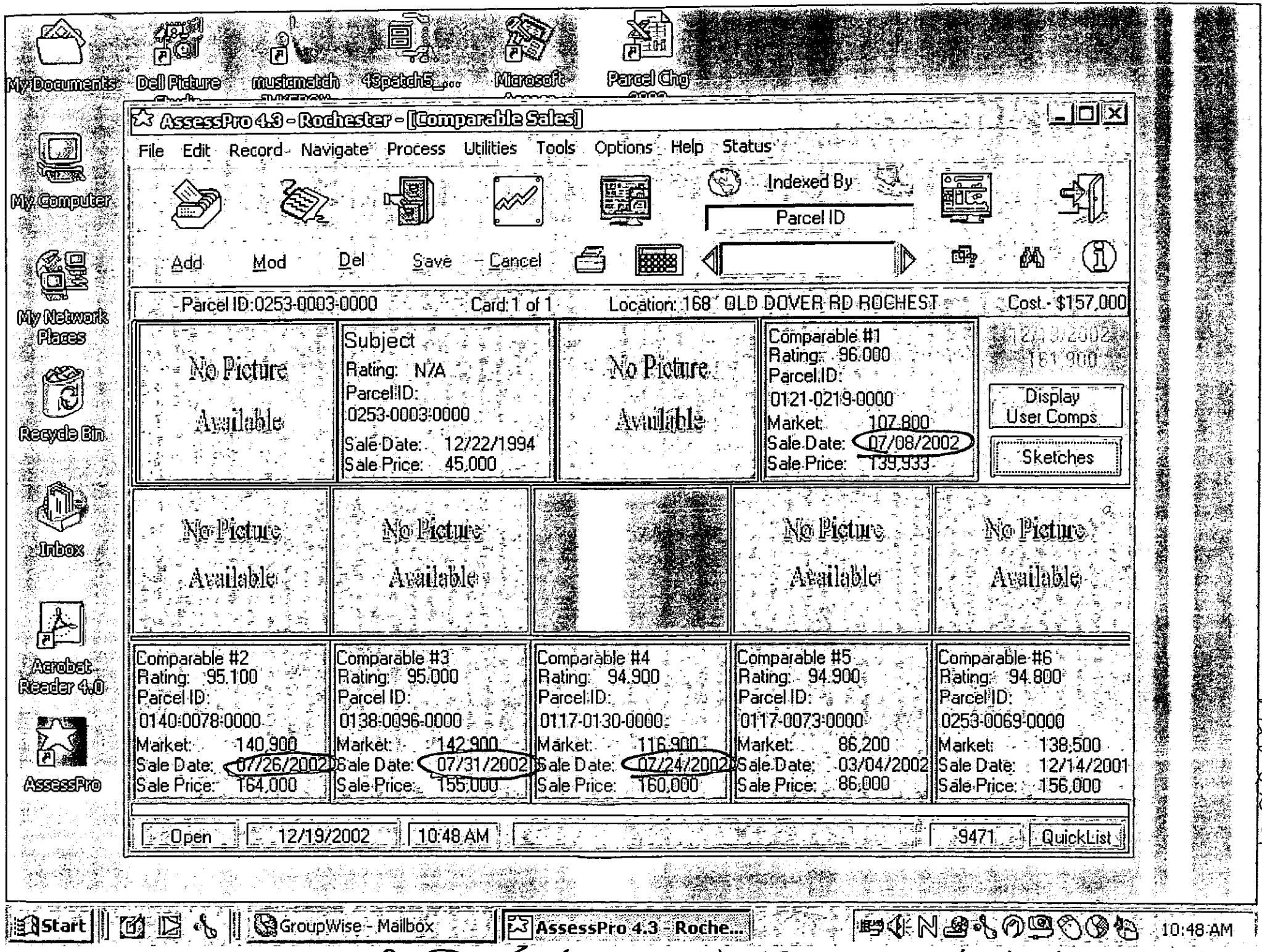
Tax Rate Per 1000

JULY BILL	1,307.00
LESS VETERANS CREDIT	0.00
LESS PREPAYMENTS	0.00

Total Due This Bill

$1,307.00

IMPORTANT TAXPAYER INFORMATION LOCATED ON BACK OF BILL



4 out of 8 Sales AFTER April 1 into July

Flo 5134

Voting Sheets

HOUSE COMMITTEE ON MUNICIPAL AND COUNTY GOVERNMENT

EXECUTIVE SESSION on SB 54-FN-L

BILL TITLE: **(New Title) relative to the local inventory of property values for assessment of property taxes.**

DATE: May 21, 2003

LOB ROOM: 301

Amendments:

Sponsor: Rep. Municipal and County Government OLS Document #: 2003 1750h

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Motions: (OTP) OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Schmidt

Amendment

Seconded by Rep. Gillick

Vote: 11-0 (Please attach record of roll call vote.)

Motions: OTP, (OTP/A) ITL, Interim Study (Please circle one.)

Moved by Rep. Stohl

Seconded by Rep. Gillick

Vote: 11-0 (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE: 11-0

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Priscilla P. Lockwood, Clerk

OFFICE OF THE HOUSE CLERK 2003 SESSION

MUNICIPAL AND COUNTY GOVERNMENT

Bill #: SB 54 **Title:** Rel to inventory of prop. values for assessment

PH Date: 4/30/03 **Exec Session Date:** 5/21/03

Motion: OTP **Amendment #:** 2003-1750h

MEMBER	YEAS	NAYS
Patten. Betsey L. Chairman	11	
Brundige. Robert W. V Chairman	1	
Lockwood. Priscilla P	2	
Twombly. James E	3	
Boyce. Laurie J	4	
Dumaine. Dudley Daniels	absent	
Pappas. Marc	absent	
Dunne. Christopher H	absent	
Stohl. Eric G	5	
Noyes. Richard A	absent	
Buhlman. David L	absent	
Doyle. Christopher L	absent	
Dupuis. Roland L	absent	
Gillick. Thomas J	6	
Gould. Kenneth H	7	
Johnson. Nancy K	absent	
Cooney. Mary R	8	
Davidson. Robert A	absent	
Osborne. Jessie L	9	
Schmidt. Peter B	10	
Theberge. Robert L	absent	
TOTAL VOTE:	11	0

Printed: 1/6/2003

MUNICIPAL AND COUNTY GOVERNMENT

Bill #: SB 54 **Title:** Rel. to inventory of prop. values for assessment

PH Date: 4/30/03 **Exec Session Date:** 5/21/03

Motion: OTP-A **Amendment #:** 2003 1750h

MEMBER	YEAS	NAYS
Patten. Betsey L. Chairman	11	
Brundige. Robert W. V Chairman	1	
Lockwood. Priscilla P	2	
Twomblv. James E	3	
Bovce. Laurie J	4	
Dumaine. Dudlev Daniels	absent	
Pappas. Marc	absent	
Dunne. Christopher H	absent	
Stohl. Eric G	5	
Noves. Richard A	absent	
Buhlman. David L	absent	
Dovle. Christopher L	absent	
Dupuis. Roland L	absent	
Gillick. Thomas J	6	
Gould. Kenneth H	7	
Johnson. Nancv K	absent	
Coonev. Marv R	8	
Davidson. Robert A	absent	
Osborne. Jessie L	9	
Schmidt. Peter B	10	
Theberge. Robert L	absent	
TOTAL VOTE:	11	0

Printed: 1/6/2003

Committee Report

COMMITTEE REPORT

COMMITTEE: **Municipal and County Government**

BILL NUMBER: **SB 54-FN-L**

TITLE: (New Title) relative to the local inventory of property values for assessment of property taxes.

DATE: May 21, 2003 CONSENT CALENDAR YES ☒ NO ☐

☐ OUGHT TO PASS

☒ OUGHT TO PASS WITH AMENDMENT

☐ INEXPEDIENT TO LEGISLATE

☐ REFER TO COMMITTEE FOR INTERIM STUDY
(Available only in second year of biennium.)

STATEMENT OF INTENT
(Include Committee Vote)

This bill, as amended, strengthens the requirement of municipalities to report the assessed inventory of property within their bounds by September 1st of each year and increases the penalty to $100 per day penalty for willful neglect or intentional disregard of that requirement. At the same time, it clarifies the fact that all properties shall be assessed their value as of April 1st of every year and makes a gender neutral language adjustment. In addition, this bill establishes a 4-year moratorium on the proposed standards for the certification requirements that were to be placed upon municipalities. The committee feels that these standards may have an inequitable impact on municipalities within the state due to differences between municipalities in such characteristics as size, parcel count, number of sales and geographic location. The committee feels it is necessary to further analyze the assessing practices of the states' political subdivisions. This analysis can be accomplished by using the assessing standards board's recommended standards as goals for a measurement tool, rather than as certification requirements, in the first 4 years of the process. The results of measuring these goals can then be analyzed for the state's large and small political subdivisions, with a report to be made to the municipalities and through the assessing standards board to the general court.

Vote 11-0.

Rep. Eric G. Stohl
FOR THE COMMITTEE

Original: House Clerk
cc: Committee Bill file

USE ANOTHER REPORT FOR MINORITY REPORT

CONSENT CALENDAR

Municipal and County Government

SB 54-FN-L, (New Title) relative to the local inventory of property values for assessment of property taxes. **OUGHT TO PASS WITH AMENDMENT**

Rep. Eric G. Stohl for Municipal and County Government: This bill, as amended, strengthens the requirement of municipalities to report the assessed inventory of property within their bounds by September 1st of each year and increases the penalty to $100 per day penalty for willful neglect or intentional disregard of that requirement. At the same time, it clarifies the fact that all properties shall be assessed their value as of April 1st of every year and makes a gender neutral language adjustment. In addition, this bill establishes a 4-year moratorium on the proposed standards for the certification requirements that were to be placed upon municipalities. The committee feels that these standards may have an inequitable impact on municipalities within the state due to differences between municipalities in such characteristics as size, parcel count, number of sales and geographic location. The committee feels it is necessary to further analyze the assessing practices of the states' political subdivisions. This analysis can be accomplished by using the assessing standards board's recommended standards as goals for a measurement tool, rather than as certification requirements, in the first 4 years of the process. The results of measuring these goals can then be analyzed for the state's large and small political subdivisions, with a report to be made to the municipalities and through the assessing standards board to the general court **Vote 11-0.**

COMMITTEE REPORT

COMMITTEE: **Municipal and County Government**

BILL NUMBER: **SB 54-FN-L**

TITLE: (New Title) relative to the local inventory of property values for assessment of property taxes.

DATE: May 21, 2003 CONSENT CALENDAR YES ☒ NO ☐

☐ OUGHT TO PASS

☒ OUGHT TO PASS WITH AMENDMENT

☐ INEXPEDIENT TO LEGISLATE

☐ REFER TO COMMITTEE FOR INTERIM STUDY
(Available only in second year of biennium.)

STATEMENT OF INTENT
(Include Committee Vote)

This bill, as amended, strengthens the requirement of municipalities to report the assessed inventory of property within their bounds by September 1st of each year, and ~~provides a $100 per day penalty for willful neglect or intentional disregard~~. At the same time, it clarifies the fact that all properties shall be assessed their value as of April 1st of every year and makes a gender neutral language adjustment. In addition, this bill establishes a 4-year moratorium on the proposed standards for the certification requirements that ~~are~~ to be placed upon municipalities. The committee feels that these standards may have an inequitable impact on municipalities within the state due to differences between municipalities in such characteristics as size, parcel count, number of sales and geographic location. The committee ~~also feels that in order for the state to continue to implement fair and equitable assessing practices,~~ it is necessary to further analyze the assessing practices of that state's political subdivisions. This analysis can be accomplished by using the assessing standards board's recommended standards as goals for a measurement tool, rather than as certification requirements, in the first 4 years of the process. The results of measuring these goals can then be analyzed for the state's large and small political subdivisions, with a report to be made to the municipalities and through the assessing standards board to the general court.

Vote 11-0.

Rep. Eric G. Stohl
FOR THE COMMITTEE

Original: House Clerk
cc: Committee Bill file

USE ANOTHER REPORT FOR MINORITY REPORT

Rep. Eric G. Stohl for Municipal and County Government: This bill, as amended, strengthens the requirement for municipalities to report the assessed inventory of property within their bounds by September 1st of each year and increases the penalty to $100/day for willful neglect or intentional disregard of that requirement. At the same time, it clarifies the fact that all properties shall be assessed their value as of April 1st of every year and makes a gender neutral language adjustment. In addition, this bill establishes a four year moratorium on the proposed standards for the certification requirements that were to be placed upon municipalities. The committee feels that these standards may have an inequitable impact on municipalities within the state due to differences between municipalities in such characteristics as size, parcel count, number of sales, and geographic location. The committee feels it is necessary to further analyze the assessing practices of the states' political subdivisions. This analysis can be accomplished by using the assessing standards board's recommended standards as goals for a measurement tool, rather than as certification requirements in the first four years of the process. The results of measuring these goals can then be analyzed for the states' large and small political subdivisions, with a report to be made to the municipalities and through the assessing standards board to the general court. **Vote 11-0**

blp