

HB 1296 - AS AMENDED BY THE HOUSE

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2026 SESSION

26-2825

07/08

HOUSE BILL **1296**

AN ACT relative to the conditions for, and procedures for the adoption of, the elderly tax exemption.

SPONSORS: Rep. E. Kelly, Merr. 8; Rep. Almy, Graf. 17; Rep. Ames, Ches. 13; Rep. Caplan, Merr. 8; Rep. Cloutier, Sull. 6; Rep. Damon, Sull. 8; Rep. Hakken-Phillips, Graf. 12; Rep. Popovici-Muller, Rock. 17; Rep. Wallner, Merr. 19

COMMITTEE: Municipal and County Government

ANALYSIS

This bill raises the income and asset value minimum thresholds for the elderly exemption tax credit.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT relative to the conditions for, and procedures for the adoption of, the elderly tax exemption.

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

1 1 Taxation; Property Taxes; Conditions for Elderly Exemption. Amend RSA 72:39-a, I(b)-(c) to
2 read as follows:

3 (b) Had in the calendar year preceding said April 1 a net income from all sources, or if
4 married, a combined net income from all sources, of not more than the respective amount applicable
5 to each age group as determined by the city or town for purposes of RSA 72:39-b. Under no
6 circumstances shall the amount determined by the city or town be less than [~~\$13,400~~] **\$23,300** for a
7 single person or [~~\$20,400~~] **\$35,500** for married persons. The net income shall be determined by
8 deducting from all moneys received, from any source including social security or pension payments,
9 the amount of any of the following or the sum thereof:

- 10 (1) Life insurance paid on the death of an insured;
- 11 (2) Expenses and costs incurred in the course of conducting a business enterprise;
- 12 (3) Proceeds from the sale of assets.

13 (c) Owns, on December 31 in the calendar year preceding said April 1, net assets not in
14 excess of the amount determined by the city or town for purposes of RSA 72:39-b, excluding the
15 value of the person's actual residence and the land upon which it is located up to the greater of 2
16 acres or the minimum single family residential lot size specified in the local zoning ordinance. The
17 amount determined by the city or town shall not be less than [~~\$35,000~~] **\$60,900**. A city or town may
18 set a combined net assets amount for married persons in such greater amount as the legislative body
19 of the city or town may determine. "Net assets" means the value of all assets, tangible and
20 intangible, minus the value of any good faith encumbrances. "Residence" means the housing unit,
21 and related structures such as an unattached garage or woodshed, which is the person's principal
22 home, and which the person in good faith regards as home to the exclusion of any other places where
23 the person may temporarily live. "Residence" shall exclude attached dwelling units and unattached
24 structures used or intended for commercial or other nonresidential purposes.

25 2 New Paragraph; Taxation; Property Taxes; Conditions for Elderly Exemption. Amend RSA
26 72:39-a by inserting after paragraph III the following new paragraph:

27 IV. For tax years beginning April 1, 2026, the commissioner shall annually adjust the single
28 person net income, married person net income and net asset threshold amounts, rounding to the
29 nearest \$100 based on the 12-month percentage change in the Consumer Price Index for All Urban
30 Consumers, Northeast Region, as published by the Bureau of Labor Statistics, using the amount

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1 published for the month of December in the year prior to the start of the tax year. The commissioner
2 shall publish the updated threshold amounts by technical information release not later than March
3 15 preceding the tax year. The threshold amounts applicable to each municipality shall be those
4 corresponding to the year of their most recent revaluation.

5 3 Taxation; Property Taxes; Procedure for Adoption and Modification of Elderly Exemption.
6 Amend RSA 72:39-b, II to read as follows:

7 II. An elderly exemption, based on assessed value for qualified taxpayers, may be granted
8 for a different dollar amount determined by the town or city, to a person 65 years of age up to 75
9 years, to a person 75 years of age up to 80 years, and to a person 80 years of age or older. To qualify,
10 the person must have been a New Hampshire resident for at least 3 consecutive years, own the real
11 estate individually or jointly, or if the real estate is owned by such person's spouse, they must have
12 been married to each other for at least 5 consecutive years. In addition, the taxpayer must have a
13 net income in each applicable age group of not more than a dollar amount determined by the town or
14 city of not less than [~~\$13,400~~] **\$23,300** or, if married, a combined net income of not more than a
15 dollar amount determined by the town or city of not less than [~~\$20,400~~] **\$35,500**; and own net assets
16 not in excess of a dollar amount determined by the town or city of not less than [~~\$35,000~~] **\$60,900**
17 excluding the value of the person's residence or, if married, combined net assets not in excess of a
18 dollar amount determined by the town or city of not less than [~~\$35,000~~] **\$60,900** excluding the value
19 of the residence. Under no circumstances shall the amounts of the exemption for any age category
20 be less than [~~\$5,000~~] **\$8,600**. The combined net asset amount for married persons shall apply to a
21 surviving spouse until the sale or transfer of the property by the surviving spouse or until the
22 remarriage of the surviving spouse.

23 4 New Paragraph; Taxation; Property Taxes; Procedure for Adoption and Modification of Elderly
24 Exemption. Amend RSA 72:39-b by inserting after paragraph II the following new paragraph:

25 III. A town or city that has previously adopted the provisions of RSA 72:39-a shall not be
26 required to readopt its provisions following publication of updated threshold amounts, which shall
27 only apply to increase but not to lower that municipality's exemptions notwithstanding RSA 72:27-a,
28 IV, unless the municipality chooses to modify or rescind its adoption as set forth in RSA 72:27-a, III.

29 5 Applicability. The changes in elderly property tax exemptions, pursuant to RSA 72:39-a and
30 RSA 72:39-b, as amended by this act, shall take effect beginning in the 2027 tax year.

31 6 Effective Date. This act shall take effect July 1, 2026.