

CHAPTER 170
HB 200 - FINAL VERSION

27Mar2025... 0573h
05/08/2025 1833s

2025 SESSION

25-0247
07/05

HOUSE BILL **200**

AN ACT relative to the procedure for overriding a local tax cap.

SPONSORS: Rep. Pauer, Hills. 36; Rep. Berezny, Graf. 11; Rep. Bryer, Rock. 1; Rep. Nalevanko, Ches. 9; Rep. Rollins, Sull. 3; Rep. Spilsbury, Sull. 3; Rep. Bailey, Straf. 2; Rep. Burnham, Straf. 2; Sen. Avard, Dist 12; Sen. Murphy, Dist 16; Sen. Sullivan, Dist 18

COMMITTEE: Municipal and County Government

ANALYSIS

This bill requires a supermajority vote of the legislative body to override a local tax cap.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

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STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Five

AN ACT relative to the procedure for overriding a local tax cap.

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

1 170:1 Municipal Budget Law; Method to Override Local Tax Cap. RSA 32:5-b, III is repealed and
2 reenacted to read as follows:

3 III. The legislative body may override the cap by the usual procedures applicable to annual
4 meetings of the legislative body, provided that: when a proposed appropriation will cause the amount of
5 local taxes raised by the town or district to exceed the tax cap under this section or the total amount
6 already raised and appropriated has caused the amount of local taxes raised by the town or district to
7 exceed the tax cap under this section, voting on the appropriation question shall be by ballot, except in the
8 case of a legislative body that uses an official ballot form of meeting under RSA 40:13 or under a charter
9 adopted pursuant to RSA 49-D. If a 3/5 majority or the supermajority as determined under a charter
10 pursuant to RSA 49-D of those voting on the question vote "yes," the appropriation is approved. Only
11 votes in the affirmative or negative shall be included in the calculation of the 3/5 majority or the
12 supermajority as determined under a charter pursuant to RSA 49-D.

13 (a) When using the official ballot form of meeting under RSA 40:13, if the warrant article for
14 the operating budget results in appropriations exceeding the tax cap under this section and receives less
15 than 3/5 majority "yes" vote, the adopted operating budget shall be reduced by appropriations already
16 raised to remain compliant with the tax cap under this section.

17 (b) School districts shall place the warrant article for the SAU budget at the beginning of
18 school district warrant, immediately after any warrant articles proposing bonds or notes. For school
19 districts using a traditional meeting and when the outcome of the SAU budget vote is pending on balloting
20 from the other school districts in the SAU, the higher of the school district's assigned portion of the
21 proposed SAU budget or the school district's assigned portion of the adjusted SAU budget shall be
22 assumed as raised and appropriated for the purpose of determining when the override provisions under
23 paragraph III apply.

24 170:2 Applicability. RSA 32:5-b, as amended by section 1 of this act, shall apply to the local tax caps
25 adopted prior to the effective date of this act and shall not require local amendment or re-adoption by the
26 town or district.

170:3 Effective Date. This act shall take effect 60 days after its passage.

Approved: July 15, 2025
Effective Date: September 13, 2025