

HB 1144-FN - AS INTRODUCED

2026 SESSION

26-2338
07/05

HOUSE BILL ***1144-FN***
AN ACT amending the excavation tax rate.
SPONSORS: Rep. Schamberg, Merr. 6
COMMITTEE: Ways and Means

ANALYSIS

This bill raises the excavation tax rate.

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 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT amending the excavation tax rate.

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

1 1 Taxation; Excavation Tax; Excavation Tax and Taxation of Excavation Area. Amend the
2 introductory paragraph of RSA 72-B:1, I to read as follows:

3 I. Earth, as defined in RSA 155-E:1, I, shall be exempt from taxation as real property under
4 RSA 72:6 and RSA 72:13. An excavation tax shall be assessed upon the excavation of earth against
5 an owner as defined in RSA 72-B:2, VIII. Such tax shall be assessed at the rate of [~~\$.02~~] **\$0.04** per
6 cubic yard of earth excavated. The following are exempt from the excavation tax:

7 2 Effective Date. This act shall take effect July 1, 2027.

**HB 1144-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT amending the excavation tax rate.

FISCAL IMPACT:

Estimated Political Subdivision Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
County Revenue	\$0	\$0	\$0	\$0
County Expenditures	\$0	\$0	\$0	\$0
Local Revenue	No Impact Until FY 2030			
Local Expenditures	\$0	\$0	\$0	\$0

METHODOLOGY:

This bill doubles the excavation tax rate from \$0.02 to \$0.04 per cubic yard of earth excavated. As the bill does not change the tax year and takes effect FY 2028, this bill will not have a fiscal impact until FY 2030. The excavation tax is collected locally, therefore any fiscal impact would be at the local level.

The Department of Revenue Administration is not able to determine the exact impact of this bill as it cannot predict the volume of material that will be excavated each year. Using ongoing excavations and excavation volume reports, the Department is able to provide the impact this bill would have had on tax year 2024. In tax year 2024, there were 12.1 million cubic yards of taxable earth excavated for all municipalities statewide. At a rate of \$0.02 per cubic yard, under current law municipalities collected about \$242,000 in excavation tax. If the tax rate had been doubled, municipalities would have collected an estimated additional \$242,000 in tax year 2024, statewide.

AGENCIES CONTACTED:

Department of Revenue Administration