HB 1517-FN - AS INTRODUCED

2024 SESSION

24-2064
02/10

HOUSE BILL ***1517-FN***

AN ACT relative to the statewide education property tax and excess revenue from games of chance.

SPONSORS: Rep. Harrington, Straf. 18

COMMITTEE: Education

ANALYSIS

This bill annually reduces the state education property tax by the amount of revenue paid to the state through games of chance in excess of the estimated amount paid in the 2023 fiscal year.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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

AN ACT relative to the statewide education property tax and excess revenue from games of chance.

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

1 Assessment; Education Tax. Amend RSA 76:3 to read as follows:

76:3 Education Tax. Beginning July 1, 2005, and every fiscal year thereafter, the commissioner of the department of revenue administration shall set the education tax rate at a level sufficient to generate revenue of $363,000,000***, less any amount under RSA 76:3-a,*** when imposed on all persons and property taxable pursuant to RSA 76:8, except property subject to tax under RSA 82 and RSA 83-F. The education property tax rate shall be effective for the following fiscal year. The rate shall be set to the nearest 1/2 cent necessary to generate the revenue required in this section.

2 New Section; Excess Revenue from Games of Chance. Amend RSA 76 by inserting after section 3 the following new section:

76:3-a Excess Revenue from Games of Chance. The commissioner of the department of revenue administration shall reduce the level of revenue required to be generated under RSA 76:3 by the amount of revenue paid to the education trust fund under 287-D:20, minus $6,600,000, which is the estimated amount paid in state 2023 fiscal year.

3 Effective Date. This act shall take effect July 1, 2024.

LBA
24-2064
12/6/23

HB 1517-FN- FISCAL NOTE
AS INTRODUCED

AN ACT relative to the statewide education property tax and excess revenue from games of chance.

FISCAL IMPACT: [X] State [ ] County [X] Local [ ] None

Estimated State Impact - Increase / (Decrease)				
	FY 2024	**FY 2025**	**FY 2026**	**FY 2027**
Revenue	$0	$0	Indeterminable	
Revenue Fund(s)	Education Trust Fund			
Expenditures	$0	$0	Indeterminable	
Funding Source(s)	Education Trust Fund			
Appropriations	$0	$0	$0	$0
Funding Source(s)	None			

- Does this bill provide sufficient funding to cover estimated expenditures? [X] N/A
- Does this bill authorize new positions to implement this bill? [X] N/A

Estimated Political Subdivision Impact - Increase / (Decrease)				
	FY 2024	**FY 2025**	**FY 2026**	**FY 2027**
Local Revenue	$0	$0	$0	$0
Local Expenditures	$0	$0	Indeterminable	

METHODOLOGY:

This bill, effective in FY 2025 and assumed to first possibly impact property taxes assessed on April 1, 2025, would reduce the amount of statewide education property tax (SWEPT) required to be raised in each fiscal year by any amount of revenue from Lottery games of chance that exceeds $6,600,000. Under current law, each municipality collects SWEPT on behalf of the State totaling $363 million and retains the SWEPT locally to fund the state's portion of education funding. Although, the SWEPT is locally retained, the total amount of SWEPT collected by the municipalities is still recognized by the State as revenue to the education trust fund. It is unknown at this time whether games of chance revenue in FY 2025, and beyond, would exceed $6,600,000 in any year, therefore it is not possible to estimate this bill's potential impact on state education trust fund revenue or expenditures, or local school district revenue received from the state.

AGENCIES CONTACTED: