HB 421-FN - AS AMENDED BY THE HOUSE

6Mar2025... 0354h

2025 SESSION

25-0300
07/05

HOUSE BILL ***421-FN***

AN ACT relative to notice of tax exempt-status filing procedures by town officials or offices.

SPONSORS: Rep. M. Pearson, Rock. 34; Rep. B. Boyd, Hills. 12; Rep. DeSimone, Rock. 18; Rep. Cordelli, Carr. 7; Rep. Janigian, Rock. 25; Rep. Cambrils, Merr. 4; Rep. Mooney, Hills. 12; Rep. Terry, Belk. 7; Rep. W. MacDonald, Rock. 16; Sen. Gannon, Dist 23

COMMITTEE: Municipal and County Government

ANALYSIS

This bill requires cities and towns to give 2 months notice of the annual tax-exemption filing deadline to tax-exempt organizations.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty Five

AN ACT relative to notice of tax exempt-status filing procedures by town officials or offices.

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

1 New Paragraph; Taxation; Persons and Property Liable to Taxation; Real Estate and Personal Property Tax Exemption. Amend RSA 72:23 by inserting after paragraph VII the following new paragraph:

VIII. Cities and towns shall annually mail the forms prescribed under RSA 72:23-c, I and RSA 72:23, VI to all property owners whose real estate was exempt from taxation in the prior property tax year under RSA 72:23, III, IV or V, and notify such property owners of the form submission deadline. The forms shall be mailed no later than 2 months before the due dates of the completed forms and supplemental documents. If the city or town or property owner otherwise qualified to receive an exemption discovers that the required forms were not sent or received, the property owner qualified to receive an exemption may submit the application to the city or town, and the governing body may grant an exemption thereunder for that year only, irrespective of any calendar date or the approval of the local tax rate and without penalty to the qualified owner.

2 Taxation; Persons and Property Liable to Taxation; Real Estate and Personal Property Tax Exemption. Amend RSA 72:23, VI to read as follows:

VI. Every charitable organization or society, except those religious and educational organizations and societies whose real estate is exempt under the provisions of paragraphs III and IV, shall annually before June 1, file with the municipality in which the property is located upon a form prescribed and provided by the board of tax and land appeals a statement of its financial condition for the preceding fiscal year and such other information as may be necessary to establish its status and eligibility for tax exemption. If any organization, otherwise qualified to receive an exemption, shall satisfy the selectmen that they were prevented by accident, mistake, or misfortune from filing an application on or before June 1, the officials may receive the application at a later date and grant an exemption thereunder for that year; but no such application shall be received or exemption granted after [~~the local tax rate has been approved for that~~] ***March 31, the end of the property tax*** year.

3 Taxation; Persons and Property Liable to Taxation; Real Estate and Personal Property Tax Exemption. Amend RSA 72:23-c, I to read as follows:

I. Every religious, educational and charitable organization, Grange, the Veterans of Foreign Wars, the American Legion, the Disabled American Veterans, the American National Red Cross and any other national veterans association shall annually, on or before April 15, file a list of all real estate and personal property owned by them on which exemption from taxation is claimed, upon a form prescribed and provided by the board of tax and land appeals, with the selectmen or assessors of the place where such real estate and personal property are taxable. If any such organization or corporation shall willfully neglect or refuse to file such list upon request therefor, the selectmen may deny the exemption. If any organization, otherwise qualified to receive an exemption, shall satisfy the selectmen or assessors that they were prevented by accident, mistake or misfortune from filing an application on or before April 15, the officials may receive the application at a later date and grant an exemption thereunder for that year; but no such application shall be received or exemption granted after [~~the local tax rate has been approved for that~~] ***March 31, the end of the property tax*** year.

4 Effective Date. This act shall take effect April 1, 2026.

LBA
25-0300
3/14/25

HB 421-FN- FISCAL NOTE

AS AMENDED BY THE HOUSE (AMENDMENT #2025-0354h)

AN ACT relative to notice of tax exempt-status filing procedures by town officials or offices.

FISCAL IMPACT: This bill does not provide funding, nor does it authorize new positions.

Estimated Political Subdivision Impact				
	FY 2025	**FY 2026**	**FY 2027**	**FY 2028**
County Revenue	$0	Indeterminable		
County Expenditures	$0	Indeterminable		
Local Revenue	$0	Indeterminable		
Local Expenditures	$0	Indeterminable		

METHODOLOGY:

This bill revises the rules for property tax exemptions applicable to specific property owners and organizations. It requires cities and towns to notify a property owner qualified to receive an exemption by mailing the forms with a submission deadline annually. It ensures exemptions can still be granted if the forms were missed or not received. Additionally, it modifies the filing deadlines for charitable, religious, educational, and veterans organizations, permitting late applications due to accidents or errors, provided they are submitted by March 31.

The New Hampshire Municipal Association states that this bill will increase expenditures under $10,000 per municipality due to additional mailing costs and staff time.

The Board of Tax and Land Appeals states that the fiscal impact on revenues and expenditures cannot be determined, as the number of charitable exemptions that might be applied for and approved by the municipality remains unknown. Furthermore, the number of appeals submitted annually remains uncertain.

AGENCIES CONTACTED:

Board of Tax and Land Appeals and New Hampshire Municipal Association