

HB 1580-FN-LOCAL - AS INTRODUCED

2026 SESSION

26-3223
07/08

HOUSE BILL ***1580-FN-LOCAL***

AN ACT relative to the taxation of non-primary residences.

SPONSORS: Rep. Wheeler, Hills. 33; Rep. Leishman, Hills. 33; Rep. Coker, Belk. 2; Rep. Potenza, Straf. 19; Rep. M. Smith, Straf. 10

COMMITTEE: Ways and Means

ANALYSIS

This bill creates a tax against properties that do not act as primary residences.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 relative to the taxation of non-primary residences.

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

1 1 New Section; Taxation; Property Taxes; Non-Primary Residence Surcharge. Amend RSA 72
2 by inserting after section 6-a the following new section:

3 72:6-b Non-Primary Residence Surcharge.

4 I. As used in this section:

5 (a) "Non-primary residence" means any residential property, including single-family
6 homes, condominiums, or mobile homes, that is not the owner's principal place of abode.

7 (b) "Principal place of abode" means a dwelling where an owner resides for at least 183
8 days per calendar year and lists as their residence for purposes of voter registration, driver's license
9 registration, or tax filing purposes.

10 (c) "Residential property" means any real estate, whether improved or unimproved, used
11 primarily for residential purposes, including structures and associated land.

12 II.(a) An annual non-primary residence surcharge shall be levied on the assessed market
13 value of any residential property classified as a non-primary residence.

14 (b) The annual surcharge under subparagraph (a) shall be 0.75 percent of the assessed
15 market value of the entire property, including all lands and structures, as determined by assessing
16 officials under RSA 75:1, in addition to the standard property tax.

17 III.(a) The surcharge under paragraph II shall not apply to:

18 (1) Properties used as the owner's principal place of abode.

19 (2) Long-term rental properties leased for 6 or more consecutive months per year to
20 the same tenant.

21 (3) Properties with an assessed market value below \$500,000.

22 (4) Properties owned by individuals qualifying for exemptions under RSA 72:28, RSA
23 72:35, or RSA 72:39-b.

24 (b) Owners may apply for exemptions annually by April 15, using forms prescribed by
25 the department of revenue administration.

26 IV.(a) Owners of residential properties shall annually certify the occupancy status of the
27 property as part of their filing under paragraph III(b).

28 (b) The department of revenue administration, pursuant to RSA 541-A, shall develop
29 rules for identifying non-primary residences, including verification through residency records, utility
30 usage, or other evidence measures.

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1 (c) Municipal assessing officials shall annually update and maintain a registry of non-
2 primary residences and report certifications for use by the department of revenue administration.

3 (d) A resident's willful failure to accurately certify a property's occupancy status shall
4 result an additional 10 percent property surcharge.

5 V.(a) All revenues collected under this section shall be remitted to the municipality in which
6 the property is located, to be used exclusively for reducing municipal property taxes or funding local
7 schools, infrastructure projects, conservation programs, or other services that benefit the
8 community.

9 (b) Municipalities shall report surcharge revenues and its use to the department of
10 revenue administration annually by December 31.

11 VI. Property owners may appeal the classification of a property as a non-primary residence
12 or the assessed surcharge to the municipal board of tax and land appeals within 30 days of receiving
13 their tax bill.

14 2 Effective Date. This act shall take effect April 1, 2027.

**HB 1580-FN-LOCAL- FISCAL NOTE
AS INTRODUCED**

AN ACT relative to the taxation of non-primary residences.

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

Estimated State Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	\$0	\$0	\$0	\$0
<i>Revenue Fund(s)</i>	None			
Expenditures*	\$0	\$75,000	\$0	\$0
<i>Funding Source(s)</i>	General Fund			
Appropriations*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

*Expenditure = Cost of bill

*Appropriation = Authorized funding to cover cost of bill

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	\$0	Indeterminable Increase		
Local Expenditures	\$0	Indeterminable Increase		

METHODOLOGY:

This bill establishes a surcharge of 0.75% on properties with a value of \$500,000 or more that are not primary residences which is a residential property not serving as the owner's principal place of abode for at least 183 days per year or not listed as the primary residence for voter registration, driver's license registration, or tax filing purposes. Property owners must annually certify their property's occupancy status, and failure to do so accurately may result in an additional 10% surcharge. Municipalities are tasked with maintaining a registry of non-primary residences and reporting surcharge revenues, which must be used for local purposes such as education, infrastructure, or conservation. The bill provides exemptions for long-term rentals and additional specified property types.

The Department of Revenue Administration (DRA) states this bill would result in an indeterminable increase in local property tax revenues beginning in FY 2027, as the number of

qualifying properties is currently unknown. DRA would be responsible for developing exemption forms and rules for identifying non-primary residences, including verification of residency and estimates a cost of \$75,000 to update the municipal tax rate setting portal.

Additionally, DRA interprets the bill's effective date as indicating that the surcharge would first apply to the 2027 property tax year, beginning April 1, 2027. The effective date of April 1, 2027 would not allow sufficient time for implementation before the start of the tax year. Regarding the 10% penalty for failure to certify a property's occupancy status, the bill is unclear as to whether this refers to 10% of the 0.75% surcharge (i.e., 0.075% of the property's value) or an additional 10% surcharge on the full assessed value. DRA assumes the former, as it represents a more proportionate penalty.

The New Hampshire Municipal Association (NHMA) states the fiscal impact indeterminable due to the lack of statewide data on non-primary residences. NHMA estimates that if 1% of the state's 400,000 single-family homes qualify, the surcharge could generate approximately \$15 million annually. NHMA acknowledges that while municipalities will incur new administrative costs the revenues would out way those costs. The figures below are estimates and may fluctuate, as the number of homes classified as 'non-primary residence' under this bill is currently unknown.

- 1% of 400,000 homes = 4,000 homes
- Minimum assessed value of home = \$500,000
- Surcharge rate per home = 0.75%
- Surcharge per home:
 - $500,000 \times 0.0075 = \$3,750$ per home
- Total Revenue from 4,000 homes:
 - $4,000 \times \$3,750 = \$15,000,000$

The bill allows property owners to appeal to the Board of Tax and Land Appeals (BTLA), which could result in an indeterminable impact on BTLA's administrative costs, as the volume of potential appeals is unknown.

AGENCIES CONTACTED:

Department of Revenue Administration and New Hampshire Municipal Association