

## **CHAPTER 72**

### **PERSONS AND PROPERTY LIABLE TO TAXATION**

#### **Commercial and Industrial Construction Exemption Statewide**

##### **Section 72:81**

###### **72:81 Property Tax Exemption. –**

- I. An eligible municipality may, by vote of the local legislative body pursuant to RSA 72:82, adopt a new construction property tax exemption for commercial or industrial uses, or both. The intent of the exemption is to provide incentives to businesses to build, rebuild, modernize, or enlarge within the municipality. The exemption shall apply only for municipal and local school property taxes assessed by the municipality which shall exclude state education property taxes under RSA 76:3 and county taxes assessed against the municipality under RSA 29:11, and shall be a specified percentage on an annual basis of the increase in assessed value attributable to construction of new structures, and additions, renovations, or improvements to existing structures, but which shall not exceed 50 percent per year. The exemption may run for a maximum period of 10 years following the new construction.
- II. Once adopted by the local legislative body, the percentage rate and duration of the exemption shall be granted on a per case basis based on the amount and value of public benefit as determined by the governing body either:
  - (a) To all properties within the municipality; or
  - (b) To a specific group or groups of parcels within the municipality as designated by the legislative body.
- III. For the purposes of this section, public benefit shall be defined by the local legislative body as part of the adoption of the property tax exemption.

**Source.** 2017, 179:2, eff. Aug. 28, 2017. 2019, 221:1, eff. July 12, 2019.

##### **Section 72:82**

###### **72:82 Procedure for Adoption. –**

- I. A municipality desiring to adopt the provisions of RSA 72:81 shall do so in accordance with the procedures set forth in RSA 72:27-a. The vote shall specify that the exemption, if granted, shall apply to all properties within the municipality if adopted in accordance with RSA 72:81, II(a) or to a specific group or groups of parcels within the municipality if adopted in accordance with RSA 72:81, II(b). The vote shall specify the maximum percentage of new assessed value to be exempted, the maximum number of years duration of the exemption following new construction, a definition of public benefit, and a reference to zoning use category definitions, if applicable. The exemption shall take effect in the tax year beginning April 1 following its adoption.
- II. A vote adopting RSA 72:81 shall remain in effect for a maximum of 5 tax years; provided, however, that for any application which has already been granted prior to expiration of such 5 tax year period, the exemption shall continue to apply at the rate and for the duration in effect at the time it was granted.

**Source.** 2017, 179:2, eff. Aug. 28, 2017. 2019, 221:2, eff. July 12, 2019.

## **Section 72:83**

### **72:83 Application for Exemption. –**

- I. An owner shall apply for the exemption under RSA 72:81 prior to construction, but not after December 31 before the beginning of the tax year for which the exemption is sought. In such cases the selectmen or assessors may anticipatorily grant the exemption, subject to adjustment when the actual increase in assessed value becomes known. If construction is partially complete on April 1 of any year, the exemption for that year shall be based on the increased assessed value attributable to the partial construction, but the duration of the exemption shall be adjusted such that the cumulative amount of exemptions received, based on the construction as completed, is proportional to that received by other eligible properties.
- II. The selectmen or assessors shall notify the applicant of their decision no later than February 28 before the beginning of the tax year for which the exemption is sought. The decision shall specify the amount of the exemption, that it is effective with the new tax year, and the number of years for which the exemption applies to qualified construction. The decision of the selectmen or assessors may be appealed in the manner set forth in RSA 72:34-a.
- III. The selectmen or assessors may request such additional or updated information as is necessary to determine eligibility. If they are satisfied that the applicant has willfully made any false statement, or has refused to provide information after such a request, they may refuse to grant the exemption.
- IV. If the municipality completes a revaluation during the period for which an exemption has been granted, the amount of the exemption shall be adjusted by the difference in equalization ratios applicable in the municipality before and after the revaluation.

**Source.** 2017, 179:2, eff. Aug. 28, 2017.

# TITLE V TAXATION

## CHAPTER 72 PERSONS AND PROPERTY LIABLE TO TAXATION

### Property Taxes

#### Section 72:27-a

**72:27-a Procedure for Adoption, Modification, or Rescission. –**

I. Any town or city may adopt the provisions of RSA 72:28, RSA 72:28-b, RSA 72:29-a, RSA 72:35, RSA 72:37, RSA 72:37-b, RSA 72:38-b, RSA 72:39-a, RSA 72:62, RSA 72:66, RSA 72:70, RSA 72:76, RSA 72:82, RSA 72:85, or RSA 72:87, in the following manner:

(a) In a town, other than a town that has adopted a charter pursuant to RSA 49-D, the question shall be placed on the warrant of a special or annual town meeting, by the governing body or by petition pursuant to RSA 39:3.

(b) In a city or town that has adopted a charter pursuant to RSA 49-C or RSA 49-D, the legislative body may consider and act upon the question in accordance with its normal procedures for passage of resolutions, ordinances, and other legislation. In the alternative, the legislative body of such municipality may vote to place the question on the official ballot for any regular municipal election.

II. The vote shall specify the provisions of the property tax exemption or credit, the amount of such exemption or credit, and the manner of its determination, as listed in paragraph I. If a majority of those voting on the question vote "yes," the exemption or credit shall take effect within the town or city, on the date set by the governing body, or in the tax year beginning April 1 following its adoption, whichever shall occur first.

III. A municipality may modify, if applicable, or rescind the exemption or credits provided in paragraph I in the manner described in this section.

IV. An amendment to a statutory provision listed in paragraph I related to an exemption or credit amount or to the eligibility or application of an exemption or credit, shall apply in a municipality which previously adopted the provision only after the municipality complies with the procedure in this section, unless otherwise expressly required by law.

**Source.** 2003, 299:1; 299:23. 2004, 170:3. 2008, 224:3, eff. July 1, 2008. 2016, 217:2, eff. Aug. 8, 2016. 2017, 179:1, eff. Aug. 28, 2017. 2019, 327:3, eff. Oct. 15, 2019. 2021, 200:2, Pt. II, Sec. 1, eff. Oct. 9, 2021.