

**New Hampshire Department of Revenue Administration
109 Pleasant Street, Concord, NH 03301**

**TECHNICAL INFORMATION RELEASE
UPDATED TIR 2022-005 Date: October 24, 2022**

A Technical Information Release is designed to provide immediate information regarding tax laws administered by the Department or the policy positions of the Department as a service to taxpayers and practitioners. A Technical Information Release represents the position of the Department on the limited issues discussed herein based on current law and Department interpretation. For the current status of any tax law, practitioners and taxpayers should consult the source documents (i.e., Revised Statutes Annotated, Rules, Case Law, Session Laws, etc.).

Statutory Change to Property Tax Credits for Veterans – Readoption Required

The New Hampshire Legislature passed, and Governor Sununu signed into law House Bill 1667 (Chapter 121, Laws of 2022), amending eligibility criteria for certain veterans’ property tax credits. Effective on July 26, 2022, the bill amended RSA 72:28, the “Standard and Optional Veterans’ Tax Credit,” and RSA 72:28-b, the “All Veterans’ Tax Credit,” to expand the eligibility requirements of the veterans’ tax credit to include individuals who have not yet been discharged from service in the armed forces.

Under RSA 72:27-a, IV amendments to tax credits and exemptions which require adoption will only apply “in a municipality which previously adopted the provision only after the municipality complies with the procedure” specified in RSA 72:27-a, II, unless otherwise expressly required by law. Nothing in HB 1667 created an exception to this readoption requirement.

As a result of the passage of HB 1667, municipalities should consider the following:

- For municipalities with the Standard Veteran’s Tax Credit:
 - No readoption is required, the expanded eligibility will apply to the Standard Veterans’ Tax Credit for the April 1, 2023 tax year.
 - Municipalities can adopt the Optional Veterans’ Tax Credit under RSA 72:28, II and/or the All Veterans’ Tax Credit under RSA 72:28-b with the expanded eligibility for the April 1, 2023 tax year.
- For municipalities with an Optional Veterans’ Tax Credit under RSA 72:28, II:
 - The existing Optional Veteran’s Tax Credit will remain in place for the April 1, 2022 tax year.
 - The Optional Veteran’s Tax Credit, at the existing amount or at a new amount, must be *readopted* pursuant to RSA 72:27-a to remain in place and include the expanded eligibility effective for the April 1, 2023 tax year.

- If the Optional Veteran’s Tax Credit is not readopted, the Standard Veterans’ Tax Credit will be in place for the April 1, 2023 tax year, which will include the expanded eligibility requirements.
- For municipalities with the All Veterans’ Tax Credit under RSA 72:28-b:
 - The existing All Veterans’ Tax Credit will remain in place for the April 1, 2022 tax year.
 - The All Veterans’ Tax Credit, at the existing amount or at a new amount, must be *readopted* pursuant to RSA 72:27-a to remain in place and include the expanded eligibility effective April 1, 2023 tax year.
 - If the All Veterans’ Tax Credit is not readopted, the Standard Veterans’ Tax Credit will be in place for the April 1, 2023 tax year, which will include the expanded eligibility requirements.

The Department will examine warrant article submissions to ensure that communities which have previously adopted these credits are aware that they must be readopted to remain in effect. Additionally, and in accordance with our usual practice, before approving a municipality’s veterans’ tax credit totals reported on the “Summary Inventory of Valuation” (MS-1) the Department will determine that a legislative body vote to readopt these credits has occurred.

Additional information can be obtained by referencing RSAs 72:27-a, 72:28, 72:28-b, and 21:50. Questions may be directed to the Department of Revenue Administration’s Municipal Bureau at (603) 230-5090.