

MINUTES OF THE
ASSESSING STANDARDS BOARD

Approved as Written

DATE: June 14, 2013

TIME: 9:30 a.m.

LOCATION: Department of Revenue, Training Room, 109 Pleasant Street Concord

BOARD MEMBERS:

Senator David Pierce ~ *Absent*
Representative Priscilla Lockwood
Len Gerzon, Public Member, Chairman
Eric Stohl, Municipal Official, Towns <5,000
Fred Keach, Municipal Official, City ~ *Absent*
Joseph Lessard, NHAAO, Towns >5,000 ~ *Absent*
Marti Noel, NHAAO
Betsey Patten, Public Member

Senator Bette Lasky ~ *Absent*
Representative Peter Schmidt
Stephan Hamilton, NHDRA
Vacant ~ Municipal Official, Towns >5,000
Robert J. Gagne, NHAAO, City
Todd Haywood, NHAAO, Towns <5,000
Thomas Thomson, Public Member

MEMBERS of the PUBLIC:

Linda Kennedy, NHDRA

David Gomez, Assessor, Town of Derry

Chairman Gerzon convened the meeting at 9:33 a.m.

Introductions.

Minutes

Ms. Patten *motioned to accept the minutes of May 17, 2013 as written*. Mr. Haywood *seconded the motion*. A spelling correction was made to page 3. Chairman Gerzon called the motion to accept the minutes of May 17, 2013, as amended. *All Approved*.

Manual Subcommittee Update

Chairman Gerzon stated he was in the process of incorporating suggested changes and corrections from Ms. Gromoshak into the Word document. A draft of the manual is on schedule to be given to the subcommittee in mid-July.

Equalization Subcommittee Update

Mr. Haywood, voted as chairman of the subcommittee, stated the equalization subcommittee met to determine the tasks to be addressed and will be meeting in two weeks, on Friday, June 28, 2013, at 8:30 a.m. at the DRA. The DRA will be supplying the committee members with information to review prior to the meeting. The tasks are:

1. Definition of sales chasing. Using the IAAO definition as a basis; refine it to be meaningful to New Hampshire.
2. Determine what constitutes a qualified sale and adequate exposure to the market using the updated IAAO Standard on Ratio Studies as a basis for consistency.
3. Examine the Wasserstein & Davis recommendation of using 1.00 for the level of assessment (*equalization ratio*) when the confidence interval captures 1.00, rather than equalizing the value.

Other Discussion

Chairman Gerzon disclosed himself as an employee of PSNH and has involvement with the NPT project. He recused himself from any conversation pertaining to the NPT project other than to facilitate it as the board chairman.

A discussion took place pertaining to how the taxes in smaller communities are impacted by the sale of properties which sell for significantly more than they are assessed for (*northern pass sales for example*); and those in current use and conservation restriction, which benefit from a tax break for potentially long periods of time, which can then be sold at a significantly high sale price. Mr. Hamilton gave a brief overview of which type of sales are considered arm's length transactions and ones that are not and how the land use change tax provides some balance to the impact on taxes, when 10% of the market value of the property, which is determined at the time the land is removed from current use, is collected .

Attendance

A brief discussion took place pertaining to the qualification of a quorum and member attendance.

Elderly Exemption

Ms. Noel raised a concern pertaining to the income limit requirements, within RSA 72-39:-a, Conditions for Elderly Exemption, to qualify for an elderly exemption. Due to changing household dynamics, in particular, increasing multi-generational situations, Ms. Noel explained a proposed change in the statute to include *household* income from all sources, excluding full-time students, rather than the *net income* of single or married individuals. Ms. Noel asked for comments from the board.

A discussion ensued which included whether or not this issue was in the purview of the board's responsibility or whether the issue should be determined at the local level. The Assessment Review process does include a review of exemptions and tax credits to make sure applications for not only personal exemptions and credits are filed correctly but also for educational, religious and charitable exemptions, which have a dramatic impact on the common tax burden. It was determined that any change, whether agreed on by the board or not, would need to be a legislative change.

New Business

Mr. Hamilton stated he anticipates his role on the board as the Commissioner's designee will continue. The new Commissioner, John Beardmore, is acclimating himself with the department and is looking forward to meeting the board and seeing what we do.

Next Meeting

The next ASB meeting is scheduled for ~~Friday, August 16th, 2013, at 9:30 a.m.~~ at DRA. *This meeting was rescheduled to Thursday, August 15th, 2013, at 9:30 a.m. at DRA.*

Other Business

Mr. Thomson asked if the abatement form for damaged buildings has been started. Mr. Hamilton indicated a draft of the form is complete and anticipates it being finalized and ready for distribution within the next few weeks. At that time, the form will be distributed to the municipalities and posted on the DRA website.

Representative Schmidt *motioned to adjourn*. Ms. Noel *seconded the motion*.

Chairman Gerzon adjourned the meeting at 11:15 a.m.

Respectfully Submitted, Stephanie Derosier
NH Department of Revenue Administration – Property Appraisal Division

Documentation relative to the Assessing Standards Board may be submitted, requested or reviewed by:

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