

New Hampshire Department of Revenue Administration

Fiscal Note Quick Guide

15-0686

HB 662-FN-LOCAL, *relative to property taxes paid by chartered public schools leasing property*

House Municipal and County Government Committee

This bill provides for the exemption of certain real estate from property taxes. More specifically, a chartered public school, established and operating under RSA 194-B and exempt from property taxation, leasing property from an owner that is not exempt from property taxation shall be entitled to a refund of the amount of a lease payment attributable to duly assessed personal and real estate taxes paid by the lessor.

The method of exemption would be the refund of taxes previously paid by an owner. The source of the refund, however, is unspecified. Generally, the refund of taxes paid is through tax abatement, and is funded through the RSA 76:6 overlay fund. (See RSA 76:16, and RSA 81:5, for example).

The Department of Revenue Administration has no source to identify the number of properties that would qualify for this exemption, as qualification requires knowledge of details found only within leases and rental agreements.

The exemption of certain property from the property tax will reapportion the tax burden to non-exempt property owners.

There will be an indeterminable increase in local expenditures. These are related to:

- The administration of the initial application process; and
- The processing of annual applications for the exemption.