

Article 21: Adoption of RSA 72: 80-83

To see if the Town will vote to adopt, pursuant to RSA 72:81, a new construction property tax exemption for commercial and industrial uses (as defined in RSA 72:80). The intent of the exemption is to provide incentives to businesses to build, modernize, or enlarge within the Town. The exemption shall apply only to municipal and local school property taxes assessed by the Town. State education and county taxes are excluded from the exemption. The exemption shall be granted for a maximum of fifty percent (50%) of the increase in assessed value attributable to the improvements, and shall remain in effect for a maximum period of ten (10) years. If adopted, the exemption shall apply to all properties within the municipality for which a proper application is filed. 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 provided, as determined by the Board of Selectmen. For the purpose of this exemption, in order to satisfy the public benefit requirement a minimum of one of the following must be provided: enhance economic growth and increase the Town's tax base; creation of needed services or facilities not currently available in the Town; redevelop and revitalize commercial or industrial area; prevent or eliminate blight; or, retain local jobs, increase local job base, and/or provide diversity in the job base. If approved this exemption shall take effect in the tax year beginning April 1, 2020 and shall remain in effect for a maximum of five (5) tax years.





RSA 72-81 Commercial _Industrial Construction Exemption

TOTAL NUMBER OF MUNICIPALITIES 9

MUNICIPALITY	ADOPTION YEAR
Allenstown	2018
Belmont	2018
Brookline	2018
Hillsborough	2019
Milford	2018
Newport	2019
Northfield	2018
Ossipee	2018
Waterville Valley	2018

NH RSA 72:81

“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.”





Benefits

- The initial 50% exemption offers a major incentive to businesses, but guarantees that the town will benefit from the other 50% on an immediate basis and receive long-term benefits due to increased valuation of the property.
- New or improved commercial and industrial uses are likely to have a minimal burden on town services.
- Allows business owners to use the exempted taxes to improve their business during its initial years of operation.
- The statute specifically restricts the tax exemption to businesses, but residential taxpayers will benefit in the long-run.





Community & Economic Development “Tools in the Toolbox” for Enfield

- ☒ Community/Economic Development Staff
- ☒ Tax Increment Financing (TIF) District
- ☒ Downtown Revitalization Tax Relief Incentive (NH RSA 79-E)
- ☐ Property tax exemption for commercial & industrial uses (NH RSA 72:81)

**Article 21**

