

If you are age 60 or over and need assistance with a property tax relief matter, you should call:

**New Hampshire Legal Assistance
Senior Law Project**

(603) 624-6000 or 1-888-353-9944



New Hampshire Legal Assistance provides free legal help to low-income and elderly persons who cannot afford a private attorney. The Senior Law Project is a special project of New Hampshire Legal Assistance and is funded in part by the New Hampshire Bureau of Elderly and Adult Services, under Title III of the Older Americans Act.

Other Resources:

**LEGAL ADVICE &
REFERRAL CENTER**

If you are under age 60 and need legal assistance with a property tax relief matter, you may contact the **Legal Advice & Referral Center** by calling 1-800-639-5290 or by completing an online application at www.nhlegalaid.org.



**New Hampshire
BAR ASSOCIATION**
Equal Justice Under Law

If you have a question about property tax relief, you can contact **LawLine**, a free telephone legal advice service offered by the NH Bar Association which is held on the **SECOND** Wednesday of each month from 6:00 p.m. ~ 8:00 p.m. To reach LawLine, call 1-800-868-1212.

PLEASE NOTE: This pamphlet was published by NH Legal Assistance to give you some idea of your rights. Since the law is always changing through actions of the courts and legislature, you should consult a lawyer if you have a problem that requires legal attention.

“It Helps to Know the Law” pamphlet series includes:

The Senior Citizens Law Project
Your Rights as a Tenant in a Manufactured Housing Park
Domestic Violence
Medicaid Income and Asset Rules for Nursing Home Residents

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It Helps to Know the Law

**HAVING TROUBLE PAYING FOR
PROPERTY TAXES?**

You should know about . . .

PROPERTY TAX RELIEF



A Community Education Pamphlet

Prepared by
The Senior Law Project
of
New Hampshire Legal Assistance
www.nhla.org



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INTRODUCTION

Homeowners in NH now pay two kinds of property taxes: **local** (town/city, county, and local education) and **state** (the state education property tax). This pamphlet explains local and state property tax relief options available to help senior citizens, persons with low income, veterans and their spouses, and persons with disabilities. Certain forms of local property tax relief are available in all cities and towns, while other tax relief options must first be adopted by the town/city. State education property tax relief is now available statewide. Please read further in this pamphlet to see which kinds of property tax relief may be available to you.

I. LOCAL PROPERTY TAX RELIEF AVAILABLE IN ALL TOWNS/CITIES

A. PROPERTY TAX ABATEMENTS

Property taxes may be reduced or waived by a town/city if you are able to show “good cause.” “Good cause” for an abatement of property taxes includes:

- (1) inability to pay your taxes (a “hardship” or “poverty” abatement); or
- (2) the town’s valuation of your property is too high (a “valuation” abatement).

To qualify for a “valuation” abatement, you must first file a property inventory by April 15 in the year you request the tax reduction, if your town/city requires inventories. You must apply for an abatement with the assessors or Selectmen by **March 1 following the final tax bill for the year**. The town/city will have until **July 1** following the tax bill to decide on your abatement. If you are unhappy with your town’s decision on your request for abatement, you must file an appeal with either the Superior Court or the Board of Land and Tax Appeals by **September 1** of the year following the tax bill.

B. TAX DEFERRAL FOR THE ELDERLY AND DISABLED

Elderly and disabled persons who would suffer serious financial hardship or a possible loss of property because of the burden of their property taxes can apply for a property tax deferral. Under this program, the town can take a deferral lien on your home for the taxes you owe.

Never make a false statement in your application:

It is very important that you make every effort to fill out your application accurately and truthfully. Your application can be denied if the selectmen or assessors believe you have willfully made any false statement in the application in order to gain tax relief.

IV. LOW AND MODERATE INCOME HOMEOWNERS’ PROPERTY TAX

Beginning with the 2003 tax-year the State Education Property Tax Relief program was opened to all low and moderate-income homeowners subject to the state education property tax. The amount of relief varies with the taxpayer’s income level, net assessed value of their home and equalized town tax rate. There is no relief for single taxpayers with incomes above \$20,000 and families with incomes in excess of \$40,000. You must have resided in your home on April 1 of the year for which the claim is made. Applications are due between May 1 and June 30, following the final property tax bill. You may obtain an application (form DP-8) from your town, from the NH Dept. of Revenue Administration’s website at www.revenue.nh.gov, by calling the forms line at (603) 230-5001, or from many NH libraries. You must submit your application to the NH Dept. of Revenue Administration, P.O. Box 299, Concord, NH 03302-0299. You must also submit a copy of pages one and two of your Federal Income Tax Return (if you were required to file), and a copy of your FINAL property tax bill for last year.

If your application is rejected you will be notified in writing within 90 days of submitting the claim. You have 30 days to appeal the denial to the Board of Tax and Land Appeals.

The property tax relief laws are subject to change. Contact your town assessor’s for updated information.

C. EXPANDED VETERANS TAX CREDIT

Towns have the option of increasing the veterans' credit from \$51 to \$500 for all qualified veterans and surviving spouses. They also have the option of increasing from \$701 to \$2,000 the tax credit for these totally disabled (service connected) veterans and surviving spouses.

III. HOW TO APPLY FOR PROPERTY TAX RELIEF, OR APPEAL FROM A DENIAL OF YOUR REQUEST FOR RELIEF

You must file a timely application:

Beginning tax year 2007, in most towns/cities, if you wish to apply for any of the tax relief mentioned above, except an abatement or tax deferral, you must have filed a permanent application with the assessors or selectmen of your town/city by April 15 preceding the setting of the tax rate. For example, you must file an application for an elderly tax exemption concerning your taxes for this current year by April 15 of this year. The town/city will have until **July 1** prior to the date of the final tax bill (usually sent in Nov. or Dec.) to make decisions on credits and exemptions.

If you disagree with the town's decision:

You may file an appeal with either the Superior Court or the Board of Tax and Land Appeals by **September 1** of the year following the tax bill, if you are unhappy with your town's decision concerning your application.

If your final tax bill is late:

If your final tax bill was sent later than December 31, all three deadlines for abatements and deferrals—March 1, July 1, and September 1—are adjusted accordingly.

If you do not receive a written decision from the town:

Even if you do not receive a written decision from your town by July 1, the safe thing to do is file your appeal with either the Superior Court or the Board of Land and Tax Appeals by **September 1** of the year following the tax bill. If you miss that deadline, file your appeal as soon as possible, and state in your appeal that you never received a written decision from your town.

Once the town files a deferral lien on your property, it will charge five percent (5%) annual interest on taxes owed. Although a tax deferral is like a mortgage, you do not have to pay any of the deferred taxes or the interest while remaining in your home. The deferred taxes do not have to be paid until after your death, unless you sell the property. If you are interested in a tax deferral, you should carefully explore the benefits and consequences.

Eligibility Rules

- (1) You must be 65 or older, or eligible for Social Security or SSI disability benefits; and
- (2) If you are elderly, you must have owned the home in which you currently live for at least five years (one year if you are disabled); and
- (3) The total amount of tax deferrals on your property is not more than 85% of the property's equity value.

You must apply for a tax deferral with the assessors or Selectmen by **March 1 following the final tax bill for the year**. The town/city will have until **July 1** following the tax bill to decide on your tax deferral. If you are unhappy with your town's decision on your request for tax deferral, you must file an appeal with either the Superior Court or the Board of Land and Tax Appeals by **September 1** of the year following the tax bill. If you believe you are eligible for this program, you should also apply for a tax abatement based on financial hardship, explained in Section I, A above.

C. PROPERTY TAX EXEMPTIONS FOR THE ELDERLY

All towns and cities must have a tax exemption for elderly taxpayers. However, the amount of an elderly tax exemption and the eligibility rules can vary, so you should contact your town/city to find out what it allows. The minimum exemption is \$5,000 off the assessed value of your home. The minimum annual income limit must be \$13,400 for a single person, or \$20,400 for a married couple. Social Security income counts towards the income limit. The minimum asset limit is \$35,000, excluding the value of your home. The age requirement is 65 years of age or older, and you must have lived in New Hampshire for the last three years.

Refer to Section III of this pamphlet for the proper steps to take to apply for an elderly tax exemption.

D. VETERANS' TAX CREDITS

Any honorably discharged veteran who served in the United States armed forces for at least 90 days in World Wars I or II, the Korean Conflict, the Vietnam Conflict, Persian Gulf War, or who served in another war or armed conflict between July 1958 to Dec. 22, 1961 or since May 8, 1975, and earned an armed forces expeditionary medal, theater of operations service medal, or other qualifying medal, is eligible for a \$50 reduction in residential property taxes. See Section II C below regarding the optional expanded veterans' tax credit.

This tax credit is also available to veterans whose service ended because of a service-connected disability, or persons who served on active duty in the armed forces of any allied government in any of the above listed wars or conflicts, and who, at the time, was a United States citizen or a resident of New Hampshire.

If you are a surviving spouse of a veteran who served 90 days in one of the wars or conflicts listed above or who was discharged due to a service-connected disability, you may also qualify for this \$50 tax credit. The surviving spouse of a veteran of an allied government's armed forces whose death was service-connected is also entitled to this credit.

A much larger credit of \$700 is available for veterans who became totally disabled due to a service-related injury, or surviving spouses of any veterans who died in one of the wars or conflicts noted above. Again, see Section II C below regarding the optional expanded veterans' tax credit.

A veteran with a total service-connected disability living in a specially adapted house bought with the Veterans Administration's help is totally exempt from property taxation, as is his/her surviving spouse.

E. EXEMPTION FOR HOME IMPROVEMENTS TO HELP PERSONS WITH DISABILITIES

A town may not require you to pay additional taxes for improvements you made to your home to help a disabled person who lives there. Rather, you should only be taxed at the assessed value of your home before the improvements.

Eligibility Rules

- (1) To benefit from this exemption, you must be a person who, because of a physical disability, uses special equipment for mobility; and
- (2) The person who has a physical disability must live at the home for which the exemption is claimed and during the year in which the exemption is claimed.

II. EXPANDED LOCAL PROPERTY TAX RELIEF-AVAILABLE ONLY BY TOWN/CITY OPTION

A. EXEMPTION FOR PERSONS WHO ARE LEGALLY BLIND OR DEAF / HEARING IMPAIRED

If you are determined to be legally blind or if you are deaf or severely hearing-impaired, you may exempt at least \$15,000 of your assessed property value for property tax purposes, but only if your town has adopted this exemption. Your town or city may have adopted higher exemption amounts in light of increased property values, so it is important to check with your town on the specifics of this exemption.

B. EXEMPTION FOR THE DISABLED

If you have been declared to be disabled under the federal Social Security Act (eligible for Social Security or SSI disability benefits), you should check with your town to see if it has adopted this exemption. Towns can also adopt a provision that grants the exemption to any person previously eligible for Social Security or SSI disability benefits who is no longer eligible for reasons other than the status of their disability as long as their physician submits an affidavit explaining that the person is still disabled according to Social Security disability rules. This exemption may be applied only to your primary residence, and each town sets its own income and asset limits for this exemption.

To apply for either of these exemptions for persons with disabilities, refer to Section III of this pamphlet for the proper steps to follow.