

2022 DRAFT SENATE BILL 1 –TAX CREDIT FOR QUALIFIED PRIVATE COMMUNITIES

Tax Credit for Qualified Private Community Property Owners

Add New Chapter 360 to TITLE XXXI: TRADE AND COMMERCE

Chapter 360 Qualified Private Communities.

- I. Definition - "qualified private community" means a residential condominium, cooperative, open space subdivision or other community consisting of at least four (4) units, the residents of which do not receive any tax abatement or tax exemption related to its construction, comprised of a community trust or other trust device, condominium association, homeowners' association, or council of co-owners, wherein the cost of maintaining roads, streets, water and sewer infrastructure and providing essential services is paid for by a not-for-profit entity consisting exclusively of unit owners within the community.

No apartment building or garden apartment complex owned by an individual or entity that receives monthly rental payments from tenants who occupy the premises shall be considered a qualified private community. No "proprietary campground facility" shall be considered a qualified private community. No community where title to land does not convey with improvements shall be considered a qualified private community, except a residential condominium or cooperative.

- II. Add New Section to Chapter 72 of TITLE V: TAXATION by inserting after Section 86 the following new section:

RSA 72:87 – Tax Credit for Qualified Private Community Property Owners: Each city and town may adopt under RSA 72:27-a a property tax credit to persons owning real property in a qualified private community as defined in RSA 360. The tax credit shall be equal to the sum of what the city or town reasonably determines it would cost to provide the services listed in paragraphs (a) through (e) if the city or town were to provide them as a private contractor.

- (a) Removal of snow, ice, and other obstructions from the roads and streets.
- (b) Lighting of the roads and streets, to the extent of payment for the electricity required, but not including the installation or maintenance of lamps, standards, wiring, or other equipment; and
- (c) Collection of leaves and recyclable materials along the roads and streets and the collection or disposal of solid waste along the roads and streets.
- (d) Repairs and replacement of roads and streets.
- (e) For qualified private communities connected to municipal water or sewer services, repairs, maintenance and replacement of water and sewer infrastructure within the qualified private communities.

- III. Amend RSA 72:33 Section I to include RSA 72:87 in the list of relevant statutes.
- IV. Amend RSA 72:29 Section VI to include RSA 72:87 in the list of relevant statutes.
- V. Amend RSA 72:27-a to include RSA 72:87 in the list of relevant statutes.

Effective Date. This act shall take effect April 1, 2023.