

City of Berlin, NH

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berlinnh.gov



Application for Tax Exemption on Commercial/Industrial Properties RSA 72:75-72:77 (City Ordinance Chapter 19, Article III)

YOU MUST APPLY FOR EXEMPTION BEFORE STARTING CONSTRUCTION OR RENOVATIONS

Application is due no later than December 31st before the year you are requesting an exemption for. A tax year is April 1st to March 30th. This application concerns proposed work to be done the following tax year.

Date: _____

Map _____ Lot _____

Name of Business: _____

Applicant/Title: _____

Property Address: _____

Telephone: _____

Email: _____

_____ New Construction

_____ Addition

_____ Renovation

Intended use of the property: _____

Brief description of intended work to be done be:

Start Date: _____

Estimated Completion Date: _____

Estimated Cost of Project: _____

*All applications must also include but is not limited to:

- a set of plans
- a timeline of construction activities

- a breakdown of the Total Cost Estimation
- the name of the firm doing the work.

Per City of Berlin Ordinance Chapter 19, Article III, the exemption shall apply only to the municipal and local school portion of property taxes for the increase in assessed value as a result of this construction project and shall exclude the state education and county property tax. Applications are due December 31st to be applicable for the following tax year.

Signature of Applicant and Title

Date _____

FOR CITY USE ONLY

BOARD OF ASSESSORS OR AUTHORIZING CITY OFFICIAL(S) APPROVAL:

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

Date: _____

CITY OF BERLIN ORDINANCE

CHAPTER 19 DEVELOPMENT ARTICLE III

PARTIAL TAX EXEMPTION FOR NEW INDUSTRIAL AND COMMERCIAL CONSTRUCTION

Sec. 19-46. Declaration of Public Benefit

(a) It is declared to be a public benefit to encourage commercial and industrial construction as a means add to and diversify the City's economic base. New or additional industrial business not only adds to the tax base of the City but also provides new employment and economic activity in the City.

(b) Short-term property tax exemption is a means to encourage this type of added economic activity and employment growth in the City.

Sec. 19-47. Tax Exemption Authority.

The City of Berlin hereby adopts the provisions of RSA 72:76 in the manner specified under RSA 72:77 and in accordance with the procedures set forth in RSA 72:27-a and in the City's normal procedures.

Sec. 19-48. Definitions.

In the interpretation and enforcement of this article, all words other than those defined specifically below shall have the ordinarily accepted meanings. For the purpose of this Article, the following definitions from RSA 72:75 shall apply:

- a. "Commercial Uses" shall include all retail, wholesale, service, and similar uses.
- b. "Industrial Uses" shall include all manufacturing, production, assembling, warehousing, developing or processing of goods or materials for sale or distribution, research and development activities and processing of waste materials.
- c. "New Construction" shall mean construction of new structures and additions, renovations or improvements to existing structures.

Sec. 19-49. Tax Exemption.

Any owner of property who either is or will be engaged in new construction on his/her property which will be utilized for a commercial use and/or industrial use as defined herein may apply to the Board of Assessors for an exemption from municipal and local school property taxes (no exemption from county or state education property taxes for the increase in assessed value attributable to the new construction) in accordance with the following table:

% Tax Exemption of Increased Assessed Value from New Construction

	Tax Year 1	Tax Year 2	Tax Year 3	Tax Year 4	Tax Year 5
Downtown Zone Commercial Uses	50%	40%	30%	20%	10%
All Other Commercial Uses	25%	20%	15%	10%	5%
Industrial Uses	50%	40%	30%	20%	10%

Sec. 19-50. Application for Exemption.

1. An owner must apply for the exemption prior to construction, but not after December 31st before the beginning of the tax year for which the exemption is sought. The owner shall make such application on an application form provided by the BOA, signed by the applicant under penalty of perjury, which contains adequate information to demonstrate that the applicant is qualified for the exemption. The BOA may anticipatorily grant the exemption, subject to adjustment when the actual increase in assessed value becomes known. If construction is partially complete on April 1 of any year, the exemption for that year shall be based on the increased assessed value attributable to the partial construction, but the duration of the exemption shall be adjusted such that the cumulative amount of exemptions received, based on the construction as completed, is proportional to that received by other eligible properties.
2. The BOA shall notify the applicant of their decision on or before February 28th before the beginning of the tax year for which the exemption is sought. The decision shall specify the amount of the exemption that it is effective beginning with the new tax year and the number of years, not to exceed ten years, for which the exemption applies to qualified construction. The exemption for all years shall cumulatively not exceed 500% of the increased assessed value. The decision of the BOA may be appealed in the manner set forth in RSA 72:34-a.
3. The BOA may request such additional or updated information as is necessary to determine eligibility. If the BOA is satisfied that the applicant has willfully made any false statement, or has refused to provide information after such a request, the BOA may refuse to grant the exemption.
4. If the City completes a revaluation during the period for which an exemption has been granted, the amount of the exemption shall be adjusted by the difference in equalization ratios applicable in the City before and after the revaluation.

Sec. 19-51. Resumption of Full Tax Liability.

Upon expiration of the tax exemption period, the property shall be taxed at its full market value in accordance with RSA 75:1.

Sec. 19-52. Sunset Provision. (Repealed Ord 1/3/2017)

NH STATE STATUTES

TITLE V TAXATION

RSA CHAPTER 72 PERSONS AND PROPERTY LIABLE TO TAXATION

Commercial and Industrial Construction Exemption in Coos County

72:75 Definitions. —

I. In this subdivision:

- (a) "Commercial uses" shall include all retail, wholesale, service, and similar uses.
- (b) "Eligible municipality" shall mean any city or town in Coos county.
- (c) "Industrial uses" shall include all manufacturing, production, assembling, warehousing, or processing of goods or materials for sale or distribution, research and development activities, or processing of waste materials.

II. An eligible municipality adopting a property tax exemption pursuant to RSA 72:76 may, in lieu of the definitions in this section, adopt by reference the definitions of similar terms as may be contained in that town's or city's zoning ordinances.

Source. 2008, 224:2, eff. July 1, 2008.

72:76 Property Tax Exemption. — An eligible municipality may, by vote of the local legislative body pursuant to RSA 72:77, adopt a new construction property tax exemption for commercial or industrial uses, or both. 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. The exemption may run for a maximum period of 10 years following the new construction; provided, however, that the exemption for all years shall cumulatively not exceed 500 percent of the increased assessed value. Once adopted by the local legislative body, the percentage rate and duration of the exemption shall be granted uniformly within that municipality to all projects for which a proper application is filed.

Source. 2008, 224:2, eff. July 1, 2008.

72:77 Procedure for Adoption. —

I. A municipality desiring to adopt the provisions of RSA 72:76 shall do so in accordance with the procedures set forth in RSA 72:27-a. The vote shall specify the percentage of new assessed value to be exempted, the number of years duration of the exemption following new construction, and a reference to zoning use category definitions, if applicable. The exemption shall take effect in the tax year beginning April 1 following its adoption.

II. A vote adopting RSA 72:76 shall remain in effect for a maximum of 5 tax years; provided, however, that for any application which has already been granted prior to expiration of such 5 tax year period, the exemption shall continue to apply at the rate and for the duration in effect at the time it was granted.

Source. 2008, 224:2, eff. July 1, 2008.

