TO: Berlin NH City Council

FROM: J. Tompson

RE: Requested Adoption of RSA 72:37(b) - EXEMPTION FOR THE DISABLED

DATE: 22 August 2022

Upon adoption of the exemption by a town or city, under the procedures in RSA 72:27(a), any person who is eligible for benefits under Title II or Title XVI of the Social Security Act is entitled to an exemption under this section. The claimant must reside in the homestead and have been a resident of the state for at least five years. Effective 2008, Pursuant to RSA 72:37(b), in NH there is an Exemption for the Disabled. RSA 72:37(b) is stated as follows:

I. Upon its adoption by a city or town as provided in RSA 72:27-a, any person who is eligible under Title II or Title XVI of the federal Social Security Act for benefits to the disabled shall receive a yearly exemption in an amount to be chosen by the town or city.
I-a. Upon the adoption of this paragraph by a city or town as provided in RSA 72:27-a, a person who is eligible under Title II or Title XVI of the federal Social Security Act on his or her sixty-fifth birthday shall remain eligible for a yearly exemption either in the amount of the exemption applicable under paragraph I or the amount of the elderly exemption granted to the person under RSA 72:39-b, whichever is greater.
I-b. Upon the adoption of this paragraph by a city or town as provided in RSA 72:27-a, any person who at any time previously was eligible under Title II or Title XVI of the federal Social Security Act for benefits to the disabled, but who is no longer eligible for such federal benefits due to reasons other than the status of that person's disability, shall be eligible for the exemption under paragraph I or I-a, or both as may be applicable, provided that the person submits an affidavit from a physician licensed in New Hampshire that attests to the fact that the person continues to meet the criteria for disability that are used under Title II or Title XVI of the federal Social Security Act.
II. The exemptions in paragraph I and I-a may be applied only to property which is occupied as the principal place of abode by the disabled person. The exemption may be applied to any land or buildings appurtenant to the residence or to manufactured housing if that is the principal place of abode. Nothing in this section shall preclude a qualified applicant from earning an income.
III. No exemption shall be allowed under paragraph I or I-a unless the person applying for an exemption:
(a) Had, in the calendar year preceding said April 1, a net income from all sources, or if married, a combined net income from all sources, of not more than the respective amount determined by the city or town for purposes of paragraph I or I-a. Under no circumstances shall the amount determined by the city or town be less than $13,400 for a single person or $20,400 for married persons. The net income shall be determined by deducting from all moneys received, from any source including social security or pension payments, the amount of any of the following or the sum thereof:
(1) Life insurance paid on the death of an insured.
(2) Expenses and costs incurred in the course of conducting a business enterprise.
(3) Proceeds from the sale of assets.
(b) Owns net assets not in excess of the amount determined by the city or town for purposes of paragraph I, excluding the value of the person's actual residence and the land upon which it is located up to the greater of 2 acres or the minimum single family residential lot size specified in the local zoning ordinance. The amount determined by the city or town shall not be less than $35,000 or, if married, combined net assets in such greater amount as may be determined by the town or city. "Net assets" means the value of all assets, tangible and intangible, minus the value of any good faith encumbrances. "Residence" means the housing unit, and related structures such as an unattached garage or woodshed,

which is the person's principal home, and which the person in good faith regards as home to the exclusion of any other places where the person may temporarily live. "Residence" shall exclude attached dwelling units and unattached structures used or intended for commercial or other nonresidential purposes.
(c) Has been a New Hampshire resident for at least 5 years.
IV. Additional requirements for an exemption under paragraph I or I-a shall be that the property is:
(a) Owned by the resident;
(b) Owned by a resident jointly or in common with the resident's spouse, either of whom meets the requirements for the exemption claimed;
(c) Owned by a resident jointly or in common with a person not the resident's spouse, if the resident meets the applicable requirements for the exemption claimed; or
(d) Owned by a resident, or the resident's spouse, either of whom meets the requirements for the exemption claimed, and when they have been married to each other for at least 5 consecutive years. RSA 72:37(b).

In 1986, the City of Berlin adopted a resolution, under RSA 72:37, authorizing the Board of Assessors to grant an exemption for the Legally Blind. The blind exemption amount granted is $15,000.00; which is deducted from the total assessed value. In 2008, Pursuant to RSA 72:37(b), the State of New Hampshire established an Exemption for the Disabled. To date, the City of Berlin has not adopted RSA 72:37(b). No disability exemption exists in the City of Berlin.

The City of Berlin adopted a resolution, under RSA 72:39(a), authorizing the Board of Assessors to grant an exemption for the Elderly aged 65 years or older. The City of Berlin authorized the Board of Assessors to grant only a deferral for the disabled under RSA 72:38(a). A deferral also exists for the elderly, in addition to the stated exemption status. By definition, a deferral is merely a postponement of your payment for property tax bills and not an exemption.

Disability, under Title II or Title XVI of the Social Security Act, comes in many limiting forms; which includes the blind. It is discriminatory to select only one preferred infirmity for exemption status in the jurisdiction while offering all others only a deferment; which is an interest-bearing payment delay in the form of a municipal loan via real property lien.

Petitioner seeks adoption of RSA 72:37(b) as a real property tax Exemption for the Disabled in the City of Berlin.

Signed this 22nd day of August 2022.

Respectfully Submitted,

J. Tompson