

**CURRENT USE ASSESSMENT
NH RSA 79-A**

PURPOSE: To preserve open space – a property tax strategy helping landowners keep their land undeveloped.

STRATEGY: Assesses land at its present use rather than its highest potential use. Enacted July 1, 1973.

BASICS

- Parcel must be at least 10 acres or provide \$2500 in annual agriculture or horticultural products.
- A one time 10% land use change tax is assessed based on current market value at the time the use changes to a non-qualifying use.
- Can sell or subdivide without penalty (If parcels are still at least 10 acres or meet other criteria)
- Encumbrance remains with the land, no matter who owns it.
- There are no “buy out” provisions.

APPLICATION and NOTIFICATION

- Accepted or denied by the Town.
- Applications must be submitted before April 15th with a recording fee. (Currently \$16.00)
- Owner can retract the application within the same tax year if not yet recorded in the Registry of Deeds.
- Town must notify landowner by July 1st of acceptance or denial.
- If accepted, Town must record at Registry of Deeds by August 1st.

ACREAGE REQUIREMENTS

- Farmland: 10 acres or more, unless land is producing \$2500 or more per year in agriculture or horticulture crops – then any size.
- Forest land: 10 acres or more
- Unproductive (incapable of producing a farm or forest crop): 10 acres or more
- Wetlands: Any size (Can include an optional 100 foot buffer around the wetland if unimproved land left in natural state).
- Or any combination of farm, forest, and unproductive land including wetlands: 10 acres or more.

CURRENT USE ASSESSMENT RANGES

Before equalization ratio is applied. Effective as of April 1, 2019.

FARMLAND	\$25-\$425 per acre	
FOREST LAND	WITH STEWARDSHIP	WITHOUT STEWARDSHIP
White Pine	\$71-\$106 per acre	\$118-\$176 per acre
Hardwood	\$34-\$52 per acre	\$57-\$86 per acre
All Other	\$23-\$34 per acre	\$38-\$57 per acre
UNPRODUCTIVE LAND	\$23 per acre	\$23 per acre
WETLANDS	\$23 per acre	\$23 per acre

RECREATION ADJUSTMENT

- An additional 20% reduction in assessment.
- No increased liability.
- Total ownership doesn't have to be put into the recreation adjustment.
- Unless a detriment to a crop, must allow hunting, fishing, snowshoeing, hiking, skiing, and nature observation.
- Can post against mechanized and off-highway vehicles, camping, etc. and still qualify.
- If taken out of recreation adjustment, land can't be put back in for 3 years, including the year of disallowance.

OTHER ISSUES

- **Frontage:** Qualifying land shall not be excluded because of road or water frontage.
- **Contiguous Parcels:** Land qualifies regardless of being divided by a highway, railroad, river or water body, or political boundary.
- **House Lot:** Land and maintained grounds that buildings are on, including driveway, utilities, septic, etc. are excluded from current use. Size of house lot to be excluded isn't governed by local zoning requirements.
- **Buildings:** Permanent buildings not allowed include sheds, sugarhouse, etc. Footprint of building excluded.

GETTING OUT OF CURRENT USE

- There is no buy-out provision. Once the land is accepted, it is in forever and the status is passed to subsequent owners.
- Owner must physically change the use of the land to a non-qualifying use, or through sale or other disposal means, create a parcel less than 10 acres.
- Only the changed portion comes out, the rest remains in current use if it is still 10 acres or more or meets other criteria.

PENALTY (LAND USE CHANGE TAX)

- Land use change tax due to Town is 10% of full and true value of the changed portion as assessed by Town at the time of the change.
- Non-changed land remains in current use if it still qualifies.
- Payment of back taxes is NOT the penalty – the Town will bill for the penalty.
- Penalty assessed when land is physically changed or size no longer conforms.
- Excavation of land in current use is considered a change and will require a penalty.
- Cutting timber is not considered a change.
- Land can be sold with no penalty (unless parcel is less than 10 acres). It remains in current use regardless of who owns it.
- Land can be subdivided with no penalty, unless lots sold or gifted from the subdivision are less than 10 acres. In that case penalties are assessed when land is sold or given. The new owner is responsible for the penalty.

For entire law, rules, and informational handbook, visit <http://revenue.nh.gov/current-use/booklets.htm>