

## **Real Estate Tax Rates**

The tax rate for The Town of Farmington NH is usually set at the end of October for the billing year. This will determine if your bill will increase or decrease in the amount of taxes you will pay.

### **Real Estate Billing Process**

The Tax Collector's Office follows the rules and regulations set forth and governed by the State of NH. In compliance with the NH State Laws, our billing year (RSA 76:2) runs from **April 1 to March 31 of the following year.**

**Real Estate Bills are sent out semi-annually** (RSA 76:15-a). Our first real estate bill is usually mailed before June 30, and the bills are due by July 1<sup>st</sup>. You do however, have thirty days to pay if bills are mailed later than June 30 to pay before interest at twelve per cent (RSA 76:13) starts accruing. The first billing is considered a partial payment towards that years tax bill. It is calculated on half of the previous years tax rate times the assessed value of your real estate. Again, to avoid interest the first real estate bill must be paid by July 1, or thirty days after bills are mailed whichever comes later.

Before our second and final real estate tax bill for the year is mailed, the Department Of Revenue Administration must set the tax rate for the year. This takes place between September 1 and end of October 31. The real estate bills are then mailed out and are due on December 1<sup>st</sup>. The Final Real Estate bill must be paid by December 1<sup>st</sup> or 30 days after the bills are mailed, which ever comes later.

## **Delinquent Taxes**

Real Estate bills start accruing twelve per cent interest (RSA 76:13) on the unpaid balance the day after the due date. For example, the first real estate bill is due July 1. If not paid, it will start accruing interest on July 2, until the day the first bill is paid in full. The final bill is due on December 1. If not paid, it will start accruing interest on December 2, until the day it is paid in full. Within ninety days of the due date of the final tax bill, the tax collector sends a notice including all unpaid taxes to the homeowner. This is known as the notice of arrearage (RSA 76:11-b) If you receive a delinquent notice from the Tax Office, it means we have not received payment. Any taxpayer, who receives a notice and has an escrow account with a mortgage company or bank, should immediately contact their escrow department

## **Tax Liens**

After the due date on the Notice of Arrearage, the Tax Collector's office begins the lien process. At least thirty days prior to the execution of the lien, a Notice of Impending Lien, (RSA 80:60) is sent to the last known owner of the property via certified mail, return receipt requested. This notice includes principal, interest and costs up to the date of the lien. The returned receipt or the unclaimed notice serves as evidence that the Town mailed the Notice of Impending Lien and has met all of the requirements of the law. The cost of the certified mailing is also added to the delinquent account.

If the taxes remain unpaid after the date and time given for final payment on the Notice of Impending Lien, the Tax Collector's office places a lien on the property. All principal, interest and costs are combined to form the principal amount of the lien and the cost of the execution of the lien (RSA 80:81) is added to the total amount due. Interest begins at eighteen per cent interest (RSA 80:69) on the unpaid balance until the lien is paid in full. The lien is recorded at the Registry of Deeds and a title search is done to ascertain if there are any lien holders on the property. A Certified letter is sent to each lien holder notifying him or her of the lien. An administrative cost (RSA 80:67) of \$12.00 as well as any additional expenses incurred as a result of the title search are added to the cost of notifying mortgagees. Taxpayers should also be aware that if the Town places a lien on their property, it becomes part of their credit report and remains there for seven years after it is paid.

When full payment of a Lien is made, the Release Of Lien will automatically be sent within thirty days to the Strafford County Register Of Deeds.

## **Tax Deeds**

Two years after the execution of a tax lien, if taxes remain unpaid, the Tax Collector shall deed (RSA 80:76) the property to the Town of Farmington.

At least 30 days prior to the deeding, a title search is completed and a notice of impending deed (RSA 80:77) is sent to the current owner and all mortgagees (RSA 80:77-a) recorded at the Registry of Deeds for Strafford County.

Once the property is deeded, you, as well as anyone holding a mortgage, lose all interest in the property. To reclaim that interest (RSA80:89) you or any mortgagee must notify the Town of Farmington within three years after the deeding, pay all back taxes( including those which would have accrued had you continued to own the property), all costs assumed by the Town of Farmington and a penalty of 15% of the equalized assessed value within 15 days of your notice of intent to repurchase. Should the Town of Farmington decide to sell the property within 3 years after the deeding, the City must notify you via certified mail and allow 30days for you to decide whether or not you wish to repurchase the property.(RSA80:89) If you do not notify the town of your desire ot repurchase or if the town does not sell the property until 3 years has expired, you lose your right to purchase the property in the manner prescribed by RSA.