

Town of Grafton

Docket No.: 18360-00RA

ORDER FOR REASSESSMENT

On September 7, 2000, a petition was filed with the board by the department of revenue administration (“DRA”), pursuant to RSA 21-J:3, XXV, requesting the board order a reassessment in the Town of Grafton (“Town”). On August 21, 2001, a public hearing was held pursuant to the board’s August 6, 2001 order, to receive testimony and evidence to determine if the board should order a reassessment pursuant to its authority in RSA 71-B:16, III.

The DRA argued all the criteria set forth in RSA 71-B:16-a warrant ordering a reassessment for 2003 because the Town has not had a complete reassessment since 1993; the coefficients of dispersion in the last three years exceed 20%; and the Town has no immediate plans for a reassessment.

The Town stated it recognized the need for a reassessment and had taken some steps in preparation for that process. The Town has had preliminary discussions with an independent revaluation company and, at the March 2001 town meeting, \$104,000 was appropriated for a town-wide revaluation. The Town has also explored the cost of converting its current assessment system to a computer-assisted mass appraisal (“CAMA”) system compatible with the reassessment firm’s software. To date, however, the additional funds (approximately \$18,000)

necessary for the conversion have not been raised by the Town. The Town also testified the tax maps have been recently updated and that current-use properties have been reviewed and updated.

Right to Equitable Assessment

The right to equitable assessment and taxation is guaranteed not only by statute (see RSA ch. 75) but, even more importantly, by the New Hampshire Constitution. N.H. CONST. Pt. 1, Art. 12th and Pt. 2, Art. 5th and 6th. "In this State probably no constitutional principle is better understood than that the taxation of property requires a proportional valuation and a uniform rate." Opinion of the Justices, 81 N.H. 552, 558 (1923). Note is made of the following pertinent decisions of the supreme court, among others: Sirrell v. State of New Hampshire, No. 2001-003, __N.H.__, <http://www.state.nh.us/courts/supreme/opinions/0105/sirre087.htm> (May 3, 2001); Opinion of the Justices, (Reformed Public School Financing), No. 00-179, __N.H.__, <http://www.state.nh.us/courts/supreme/opinions/00012/ojschool.htm> (December 7, 2000); Claremont School District v. Governor, 142 N.H. 462, 471 (1997); Opinion of the Justices, 106 N.H. 202 (1965); Opinion of the Justices, 101 N.H. 549 (1958); Rollins v. City of Dover, 93 N.H. 448 (1945); Trustees of Phillips Exeter Academy v. Exeter, 92 N.H. 473 (1943); Town of Bow v. Farrand, 77 N.H. 451 (1915); Amoskeag Mfg. Co. v. Manchester, 70 N.H. 336 (1900); Winnepiseogee Lake Cotton & Woolen Mfg. Co. v. Town of Gilford, 67 N.H. 517 (1896); State v. United States & Canada Express Company, 60 N.H. 219 (1880); Edes v. Boardman, 58 N.H. 580 (1879); Morrison v. City of Manchester, 58 N.H. 538 (1879); and Opinion of the Justices, 4 N.H. 565 (1829).

Board's Findings and Rulings

The board orders a complete reassessment effective for tax year 2003. The Town is encouraged to obtain a CAMA system which will assist it in maintaining assessment equity after the revaluation is complete. Any future updates or revaluations will be easier and less expensive if an appropriate computer system is employed. The board notes and compliments the Town on the tax map and current-use updates and computer software preparation that has been done.

RSA 71-B:16-a, sets forth the criteria for the board to consider in determining the need for a reassessment. Without reiterating these criteria, the board finds the following facts support an order for reassessment. The last complete reassessment in the Town was conducted in 1993. The DRA reported the coefficients of dispersion (“CODs”) in the Town were 30.18 in 1998, 30.57 in 1999 and 22.83 in 2000. Additionally, the CODs for some individual property type strata are high. The CODs for vacant land with and without water frontage exceed the IAAO guidelines. These indicate significant inequity within the tax base and the need for a complete reassessment of all taxable property. Since the last reassessment the Town has had two different independent assessors doing “pick ups.” The Town still requires that property inventory forms be filed, and pick ups are initiated when a taxpayer requests a building permit, a change on the inventory form is noted, or when, during their travels throughout the Town, the selectmen observe some building activity.

Further, the board is directing Mr. Stephan Hamilton, its tax review appraiser, to review, on an ongoing basis, the procedures and analysis that will be employed during the 2003

reassessment. The involvement of the board's review appraiser is not intended to supplant the selectmen's assessing responsibilities. Rather, based on its experience with other ordered reassessments, the board believes that a more active participation by its review appraiser during the reassessment process will be beneficial to the Town, instead of waiting until the reassessment process is complete. In short, the board wants to ensure, as much as possible, that the Town receives the highest quality reassessment for the funds expended.

The Town shall, starting January 1, 2002, and every three months thereafter, notify the board in writing as to its progress in carrying out this reassessment order. The Town shall submit a copy to the board of an executed reassessment contract approved by the DRA as part of its notification of carrying out this ordered reassessment. Further, this reassessment must comply with applicable statutes and regulations, including Part 600 of the DRA's rules on reassessment.

Upon receipt of this order, the Town shall post a copy of this order in two public places in the Town.

Findings of Fact and Rulings of Law

The board responds to the DRA's requests as follows.

In these responses, "neither granted nor denied" generally means one of the following:

- a. The request contained multiple requests for which a consistent response could not be given;
- b. The request contained words, especially adjectives or adverbs, that made the request so broad or specific that the request could not be granted or denied;
- c. The request contained matters not in evidence or not sufficiently supported to grant or deny;

- d. The request was irrelevant; or
- e. The request is specifically addressed in the decision.

Findings of Fact

1. Granted, with a change to the verbiage amending “study of the assessment equity” to an equalization study.
2. Granted.
3. Granted.
4. Granted.
5. Granted, with “Officials” corrected to Officers.
6. Neither granted nor denied.
7. Granted.
8. Granted.
9. Granted.
10. Granted.
11. Denied.
12. Granted.
13. Granted.
14. Granted.
15. Granted.
16. Granted.

Rulings of Law

1. Neither granted nor denied.
2. Neither granted nor denied.
3. Neither granted nor denied.
4. Granted.
5. Neither granted nor denied.
6. Granted.
7. Granted.
8. Neither granted nor denied
9. Granted.
10. Granted.
11. Granted.
12. Granted.

SO ORDERED.

BOARD OF TAX AND LAND APPEALS

Paul B. Franklin, Chairman

Douglas S. Ricard, Member

Albert F. Shamash, Esq., Member

Certification

I hereby certify that a copy of the foregoing order has been mailed this date, postage prepaid, to: Chairman, Board of Selectmen, Town of Grafton; Mark Bennett, Esq., counsel for the DRA; and Guy Petell, Director of Property Appraisal, DRA.

Date: September 24, 2001

Lisa M. Moquin, Clerk