

Town of Stoddard

Docket No.: 18362-00RA

ORDER FOR REASSESSMENT

On September 7, 2000, a petition was filed with the board by the department of revenue administration (ADRA@), pursuant to RSA 21-J:3, XXV, requesting the board order a reassessment in the Town of Stoddard (ATown@). On July 23, 2001, a public hearing was held, pursuant to the board's June 22, 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. The Town has not had a complete reassessment since 1990; the coefficients of dispersion in the last three years exceed 20%; and the Town has no immediate plans for a reassessment, according to the DRA.

The Town, however, stated it recognized the need for a reassessment and had taken some preliminary steps to accomplish that task. At the March 2000 town meeting, \$20,000 was set aside for a town-wide revaluation. However, the Town did not raise any money in 2001 pending the outcome of this appeal so it might know the required timelines for completion of the revaluation. The Town has investigated the cost of doing both an update and a manual-card reassessment, but has not proceeded due to the filing of the DRA's September 7, 2000 petition.

The Town also testified it was in the process of updating its tax maps and these maps will be available prior to the completion of the town-wide revaluation.

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 to be effective for tax year 2003. The Town should consider obtaining a computer-assisted mass appraisal (ACAMA@) system instead of a manual card system, which will assist the Town in maintaining assessment equity after the revaluation is complete. Any future updates or revaluations should be easier and less expensive if an appropriate computerized system is employed.

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 and only complete reassessment was conducted in 1990. The Town has not updated its tax maps recently but has plans to do so prior to the town-wide reassessment. The DRA reported the coefficients of dispersion in the Town for the past three years were 27.80 in 1998, 27.13 in 1999 and 21.39 in 2000. These indicate there is significant inequity within the tax base and a need for the Town to initiate a complete reassessment of all taxable property. The Town has stated that subsequent to the last reassessment, the only changes made to any assessments were as a result of building permits issued to perform exterior work only. No building permits are required for interior renovations and, thus, a taxpayer could, ostensibly, completely renovate the interior of the dwelling with the Town unaware of the changes and the assessment would remain the same.

The selectmen are to be commended for recognizing the need for reassessment and having initiated some plans to raise the funds to perform one in the future. The financial commitment made to update the Town tax maps, as well as raising some of the funds necessary

to perform the revaluation, are steps in the right direction. However, the Town will now need to appropriate the balance of the funds to carry out the reassessment for 2003.

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 watchdog the actions of the Town or 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 November 1, 2001, 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, Aneither 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 Astudy of the assessment equity@ to an equalization study.
2. Granted.
3. Granted.
4. Granted.
5. Granted, with AOfficials@ corrected to Officers.
6. Neither granted nor denied.
7. Granted.
8. Granted.
9. Granted.
10. Granted.

11. Granted.

12. Granted.

13. Granted.

14. Denied.

15. Denied.

16. Denied.

Rulings of Law

1. Neither granted nor denied.

2. Neither granted nor denied.

3. Denied.

4. Granted.

5. Granted.

6. Granted.

7. Neither granted nor denied.

8. Denied.

9. Granted.

10. Granted.

11. Granted.

12. Neither granted nor denied.

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 Stoddard; Mark Bennett, Esq., counsel for the DRA; and Guy Petell, Director of Property Appraisal, DRA.

Date: September 4, 2001

Lisa M. Moquin, Clerk