

Revaluation Questions & Answers

1. **What is a revaluation?** A revaluation is an update of all assessments in the municipality conducted by Commerford, Neider and Perkins (CNP) a contracted assessing company. The assessing company is a state-certified firm whose duties are to discover, list and value all taxable real property in the municipality, in a uniform and equitable manner. The assessing firm is not involved in the collection of property taxes. The firm determines the actual fair market value of the property.
2. **Why is a revaluation necessary?** The state requires that all property in a municipality be assessed at its "full and true" value. Further, the NH Constitution (Part 2 Article 6) requires that each municipality update values every five years. A revaluation is the most equitable way to accomplish this.
3. **Will all property values change?** Most likely, yes. However, not all property values will change at the same rate. Market value will have decreased more for some neighborhoods and property types than for others. Some neighborhoods and property types may have increased in value and others may have remained the same. One purpose of a revaluation is to make sure that the assessed values reflect the changes that have occurred in the real estate market.
4. **When will the revaluation start?** The assessing firm has been evaluating property sales and has been performing data collection in order to complete the 2018 revaluation of property. The resulting values will be effective as of April 1, 2018.
5. **Is it necessary that you view the inside of my property?** To ensure an accurate assessment, it is to your advantage to allow the assessor inside your property. When access to a property is not permitted or obtainable, the elements that comprise your assessment will need to be estimated, which may result in an incorrect and unfair determination of value.
6. **What is market value?** State law requires that your property be assessed at market value. RSA 75:1 further defines market value as: "... the property's full and true value as the same would be appraised in payment of a just debt due from a solvent debtor." Therefore, "market value" is further defined as the amount a typical, well-informed purchaser would be willing to pay for a property. For a sale to be a market value (arm's-length) sale, the seller and buyer must be unrelated and willing parties (not under pressure) to sell or buy. The property must be on the market for a reasonable length of time, the payment must be made in cash or its equivalent, and the financing must be typical for that type of property.
7. **I recently built my home. Will the actual construction costs be considered?** Your construction cost is a historical figure that may or may not reflect the current market value of your property. It is only one element that will be considered.
8. **What will happen to my assessment if I improve my property?** Generally speaking improvements that increase the market value of a property will be reflected in the assessment. The following examples are typical items that *may* increase the assessed value of your property.
 - added rooms or garage
 - substantial modernization of kitchen, baths or other extensive remodeling
 - central air-conditioning
 - fireplaces

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9. **Will my assessment go up if I repair my property?** Normal maintenance will help retain the market value of your property, but generally will not affect your assessment in a significant way.
10. **How can my assessment change when I haven't done anything to my property?** General economic conditions such as supply and demand, interest rates, inflation rates and changes in the tax laws will influence the value of real estate. As property values change in the marketplace, those changes must be reflected on the assessment roll, which is required by State law.
11. **Will I be notified if there is a change in my assessment?** State of NH, Department of Revenue Administration, Administrative Rules require that all property owners be notified of their assessment regardless of value during a revaluation. You will receive a notice of the assessed value of your property in the early Fall 2018. You will be provided an opportunity to schedule an appointment with a representative of the assessing firm to review the assessment if you do not agree with the new value.
12. **What if after meeting with the assessing firm I still disagree with the assessment?** If any property owner believes their assessment is incorrect and wishes to file for abatement, they shall first appeal to the Board of Selectmen in writing, no later than March 1, 2019, following the notice of tax in November/December. The assessing office will have the necessary abatement form which must be completed in full.
13. **What if, after this formal review with the assessor, I still disagree with the assessment?** You should arrange to appear before the Board of Tax and Land Appeals or Superior Court. The assessing office can provide you with an objection form to submitted to the State of NH Board of Tax and Land Appeals that you must complete in full.
14. **How will my taxes change as a result of the new assessment?** Although the value of your property affects your share of taxes, the actual amount you pay is determined by the budget needs of the schools, municipality and county. All of these taxing units decide what services they will provide in the coming year and how much money they will need to provide these services. These items are then presented to you at Town Deliberative Session and Town Meeting, School Meetings and to your County Commissioners for approval or disapproval. Once the decision to approve the budgets are made, a tax rate is set by the NH Department of Revenue that will generate the necessary dollars.

Your Town portion of the tax rate is based on the approved budget by the New Hampton voters, less any revenues (motor vehicle fees, timber taxes, grants, Highway Block Grant, fees, fines, etc.) from other sources. Your property taxes are then determined by taking your assessment, dividing by 1000, and multiplying by the tax rate. OR: $(\text{assessed value}/1000) \times \text{tax rate} = \text{your town property tax}$.