

TITLE LXIV PLANNING AND ZONING

CHAPTER 674 LOCAL LAND USE PLANNING AND REGULATORY POWERS

Regulation of Subdivision of Land

Section 674:37-a

674:37-a Effect of Subdivision on Tax Assessment and Collection. – The collection of taxes with respect to land being subdivided shall be governed by the following provisions:

I. If approval of a subdivision plat has been granted on or before April 1 of a particular tax year, giving the owner a legal right to sell or transfer the lots, parcels or other divisions of land depicted on the plat without further approval or action by the municipality, then such lots or parcels shall for that tax year be assessed and appraised as separate estates pursuant to RSA 75:9, whether or not any such sale or transfer has actually occurred, and shall continue to be so assessed unless and until subdivision approval is revoked under RSA 676:4-a, or the parcels are merged pursuant to RSA 674:39-a.

II. If subdivision approval does not become final until after April 1, then all assessments, appraisals, and tax warrants for that property during that tax year shall pertain to the entire non-subdivided property as it was configured on April 1, notwithstanding any later sale or transfer of subdivided lots or parcels which may occur during that year.

III. When property has been assessed as a single parcel or estate in accordance with paragraph II, and some subdivided portion of that property is later sold or transferred prior to the payment of all taxes, interest, and costs due for that tax year, the municipality's tax lien shall remain in effect with respect to the entire property, and each lot or parcel transferred or retained shall remain obligated for the entire amount, and shall be subject to all procedures of RSA 80 until that amount is collected.

IV. In order to avoid the liability of subdivided lots or parcels for taxes due on the entire property as set forth in paragraph III, any person with a legal interest may, at the time of subdivision approval or any time thereafter, prepay all taxes to be assessed on the entire property for that tax year. If such prepayment is offered prior to the determination of the property's full tax obligation for that year, the collector shall notify the assessing officials, who shall make a reasonable jeopardy assessment in accordance with the provisions of RSA 76:10-a, and commit it to the collector. After full prepayment the tax collector shall upon request execute a statement identifying the subdivision plat, and stating that all real estate tax obligations for the tax year have been fulfilled with respect to the property shown on the plat. Such a statement may be recorded in the registry of deeds at the expense of the party requesting it.

V. Nothing in this section shall be construed to prevent the parties to a conveyance from making alternative provisions, through privately-held escrow or other means, for the allocation

and satisfaction of tax obligations; provided, however, that the municipality shall not, with respect to property assessed as a single parcel or estate pursuant to paragraph II, be required to apportion taxes among subdivided lots, or to release any subdivided portion of such property from the municipality's tax lien unless and until the full tax obligation for the assessed property has been satisfied.

Source. 1998, 39:1, eff. Jan. 1, 1999.