



## STATEWIDE PROGRAM OF ACTION TO CONSERVE OUR ENVIRONMENT

SPACE SPRING NEWSLETTER

MARCH 2011

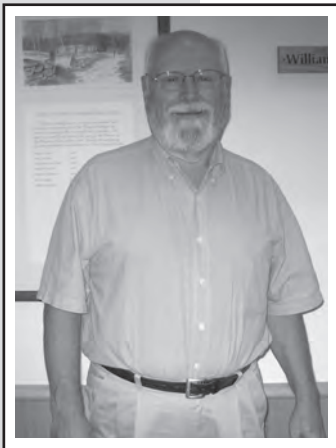
### Comings and Goings on the SPACE Board



David Babson has stepped down as the SPACE Chair and will be replaced by long-time board member, Northam Parr of Rumney, NH. David was recently elected to the House of Representatives where he will be a member of the Environment & Agriculture Committee. We know that with Dave's prior legislative experience and time served on the SPACE Board of Directors, most recently as Chair of SPACE, he will be an asset in assisting both SPACE and the E & A Committee in educating new members of the legislature about the benefits of current use.

Northam (Nory) Parr (top photo) has willingly agreed to step in as the SPACE Chairman of the Board. Parr is an emeritus Extension Educator, Forest Resources. He retired from UNH Cooperative Extension in 2008 after 26 years as Grafton County Forester. In that role, he provided information and advice about Current Use to dozens of towns and hundreds of landowners. His own small woodlot and Christmas tree plantation in Rumney is a NH Tree Farm and in Current Use. He has been a member of the Rumney Conservation Commission for years and remains active in the NH Tree Farm Program. Nory is a staunch believer and proponent of what he terms NH's most important and effective tax law that encourages maintenance and management of our farms, forests and wetlands... Current Use.

Nory enjoys flyfishing, fresh and saltwater, particularly with his wife Cindy and his three (grown) sons, from NH to South Carolina, from Colorado to Cape Cod.



John Violette of Bow, NH has retired from the SPACE Board after serving for the past fifteen years. We would like to thank John for all his time, knowledge and service on behalf of SPACE and Current Use. We wish John and his family the very best in the years ahead.

SPACE would like to welcome and announce our newest board member—Craig Mayo from NH Snowmobile Association who will be replacing John Violette. Craig has been with NHSA since 2000. Craig currently lives in West Stewartstown. Craig states, "It has been a great savings to me over the years to be able to keep the land open to recreation and reduce the amount of money I have to pay in taxes. I look forward to working with the rest of the board to insure that all current use land owners state-wide get to keep their land open for recreation, timber harvesting and still get a reduced tax rate."



SPACE Board of Directors include: Northam Parr, Chair-Rumney; Isobel Parke, Interim Vice-Chair-Epping; Jasen Stock, Treasurer-NHTOA; John Barto, Esquire, Clerk-Pittsfield; David L. Babson-Ossipee; Meade Cadot, Director of Harris Center-Hancock; John Harrigan-Colebrook; Robert Johnson II, NH Farm Bureau; Charles Levesque, INRS- Antrim; Kenneth Marshall- Boscawen; Craig Mayo, NH Snowmobile Association; Dennis McKenney-Bennington; Win Robinson-Concord; Erick Sawtelle-Lee; Judy Silva, NHMA-Concord; Chuck Souther, NH Fruit Growers Association-Concord; Chris Wells, SPNHF- Concord; and Executive Director, Donna Robie-Concord



## LEGISLATIVE UPDATE

The 2011 Legislative Session is in full swing. Once again, SPACE has contracted with Timothy O'Connell of Milford, NH as our independent lobbyist who will be diligently present and monitoring any new bills that could affect current use this year. At this time, there are

two such new bills: HB 46 and HB 66. Of course things could change quickly as we all know, and Tim will be there to keep his eyes and ears open for any possible changes or introduction of any new bills, and to present in testimony SPACE's concerns and position.

### **HB 46: Relative to the membership of the current use advisory board (Rep. Owen)**

This bill would amend the current language in RSA 79-A:3. II. (a) which reads, "(a) Three members who are assessing officials shall be appointed by the governor with the advice and consent of the council, one of whom shall be an assessing official in a town with a population of less than 5,000; one of whom shall be an assessing official in a town with a population of more than 5,000; and one of whom shall be an assessing official in a city. Each member shall hold office for a term of his or her position as assessing official or for 2 years, whichever is shorter, and until a successor shall have been appointed and qualifies, and any vacancy shall be filled for the unexpired term, by the governor with the advice and consent of the council. **No other members of the board shall be former or currently practicing assessing officials.**"

**The amended language would strike the words "former or" from the last sentence.**

SPACE originally opposed this version of HB as written. Our concern is that additional professional assessors would upset the balance on the CU Board. SPACE and the Current Use Board are currently working on an amended version.



"Taxpayers are adequately reimbursed for their investment in open space."

*Dr. Douglas E. Morris, UNH Dept. of Resource Economics, 1989*

### **HB 66- Relative to assessment of the land use change tax on cluster or condominium developments (Rep. Drisko)**

If a municipality determined that an entire cluster or condominium subdivision was no longer eligible for current use assessment status based on activities occurring during the period between September 20, 2007, and June 30, 2009, and, accordingly, assessed a land use change tax on all lots/units in such subdivision, this section shall entitle the municipality to reinstate such subdivision, to the extent then eligible, to former current use assessment status, and any lien placed on the property may be removed from the record without prejudice to re-imposition for non-payment of properly assessed taxes in the future. This section shall not be construed to obligate any municipality to reinstate such property or to make any such arrangement or agreement.

This bill will enable a municipality to go back and readjust the assessment of the land use change tax for the time period between the issuance of the 2007 NH Supreme Court decision involving the Town of Chester and the signing into law of HB 424 in 2009.

SPACE believes that this will only affect a handful of people in one town and is not opposed to this bill. There are several other bills being monitored at this time, but they do not directly affect current use.

**LOOKING FOR YOUR NEWS, PHOTOS OF OPEN SPACE OR QUESTIONS RE: CURRENT USE TO FEATURE IN UPCOMING ISSUES OF THE SPACE NEWSLETTER.**

Please feel free to send any questions, photos or contributing articles pertaining to current use in New Hampshire that you would like to see in future editions of the SPACE newsletter.

Send all correspondence to [donna@nhspace.org](mailto:donna@nhspace.org) or if by mail: SPACE,  
54 Portsmouth Street, Concord, NH 03301. We'd love to hear from you!



## CURRENT USE BOARD UPDATE

The latest minutes of the Current Use Board can be found online at the NH Department of Revenue Administration website by searching under **current use**. Any older copies of Current Use Board minutes or notes from past forums may also be downloaded at this site.

SPACE would like to once again encourage you to attend one of the three annual fall forums that are held by the Current Use Board. This past year, attendance was at an all-time low. This is an opportunity for all current use landowners and members of the public to ask specific questions, and review what changes may be in store for current use that may affect your property in the upcoming year such as changes in rates, etc. These forums also allow landowners a chance to express any concerns you may have regarding the way current use is being administered in your individual towns, as well as the opportunity to meet members of the Current Use Board which is the authoritative board that establishes current use rates and recommends any Current Use rules changes to the Joint Legislative Committee on Administrative Rules.

SPACE has discontinued sending annual postcards announcing the dates and times of the fall forums due to increasing costs and our limited revenues. Once the dates become known to SPACE, all three CUB Fall Forums will be posted on the SPACE website under the NEWS section, sometime in late summer.

### NUNGESSER & HILL, ATTORNEYS

56 NH Route 25- PO Box 665  
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Practice limited to real estate, municipal, trusts and estates.  
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Concord, NH 03301  
Phone: (603) 225-2585

NEW HAMPSHIRE

## CURRENT Use Tax Rules

INFORMATIONAL WORKSHOP

**Thursday, March 10, 2011**  
6:30 p.m. - 8:30 p.m.  
Bath Village School  
61 Lisbon Rd., Bath, NH

**Thursday, March 24, 2011**  
6:30 p.m. - 8:30 p.m.  
Rumney Town Hall  
79 Depot St., Rumney, NH



For more information, contact  
Dave Falkenham, Grafton County  
Extension Forester, at  
(603) 787-6944 or e-mail  
dave.falkenham@unh.edu

**Visit our website:**  
extension.unh.edu

Rural landowners of 10 or more acres can enroll their property in the state "CURRENT USE" program and lower their property taxes. However, property enrolled in Current Use has restrictions on its future use.

These free workshops, sponsored and conducted by UNH Cooperative Extension, will explain Current Use assessment and the different aspects of the program to help you decide if it is right for you. We will also provide an update on any changes to the Current Use program. If your land is already in Current Use, this will be a good review of the regulations.

For any special arrangements including dietary, physical access, or other accommodation requests, including the ability to pay, please contact our office at 603-787-6944 or e-mail extension@unh.edu. Ten working days are needed to facilitate special needs requests. The University of New Hampshire Cooperative Extension is an equal opportunity educator and employee. U.S. Department of Agriculture, University of New Hampshire, and New Hampshire county government cooperating.

## Informational Workshop New Hampshire Current Use Tax Rules

**DATE:**  
Tuesday March 22

**TIME:**  
6:30-8:00

**LOCATION:**  
Rochester Public Library  
65 South Main St  
Rochester NH

**COST:**  
FREE

**TO REGISTER:**  
For more information or to register, contact  
Strafford County UNH  
Cooperative Extension Office  
(603)749-4445 or email  
christie.gerasimchik@unh.edu

Providing unbiased research-based  
information to the citizens of  
New Hampshire since 1914.

**Rural landowners of 10 or more acres can enroll their property in the state "CURRENT USE" program and lower their property taxes.**

**However, property enrolled in Current Use has restrictions on its future use.**

This free workshop is open to the public and is sponsored and conducted by UNH Cooperative Extension. Deborah Goad, the Extension Educator in Forest Resources, will explain Current Use assessment and the different aspects of the program to help you if it is right for you. She will also provide an update on any changes to the Current Use Program. If your land is already in Current Use, this will be a good review of the regulations.

**www.nhwoods.org**

The University of New Hampshire Cooperative Extension is an equal opportunity educator and employee. UNH, U.S. Dept. of Agriculture, NH Dept. of Resources and Economic Development, Division of Forests and Lands, NH Fish and Game, U.S. Fish and Wildlife Service and New Hampshire counties cooperating.

## 2011 FIRST APPEAL LETTER

**CHALLENGE TO ALL NON-CONTRIBUTORS** Please send an annual \$25.00 or more donation so SPACE can afford to keep you up-to-date and protect your land enrolled in current use!

In December, SPACE's first appeal letter went out to (only) the 7,250 contributors out of 35,000 current use landowners in New Hampshire. In the past, SPACE has sent an annual fundraising appeal letter to all current use landowners, but due to rising paper and mailing costs, SPACE dropped all previous non-contributors from the first appeal letter mailing list. By keeping all 35,000 current use landowners on our newsletter mailing list, we take this opportunity to share its following first 2011 appeal letter with you in hopes that you will decide to become an annual contributor.

**NOTE:** *We apologize to those who have already received the first appeal letter for 2011 and for having to post it in this manner, but it's our most cost effective way to increase contributions and communicate to all.*

"Dear Landowner,

SPACE finds itself in an anxious position as we begin the new year. As the Current Use Law approaches its 40th year, we are concerned that new challenges to this landmark legislation are on the near horizon. Budget woes at the state and local levels are serious and promise to increase pressure on raising tax revenues to fund government services and programs. We are certain that federal funds to states will be reduced, and so state funds that support communities across New Hampshire will decline; this will surely lead to some level of cutbacks in town services and intensified efforts to raise more revenues, via fees and property taxes. Current Use property, nearly 2.5 million acres of open space – farms, forests and wetlands – will surely be scrutinized and perhaps targeted as a source of increased tax revenue. Any change in Current Use Law will affect all of the 35,000 owners of land now enrolled in the program, including you!

SPACE, in the late 1960s, was the leader of a coalition of organizations that marshaled support for and passage of the progressive Current Use Law. Since then, SPACE has also been the leader in constant, credible and effective advocacy to keep this statute in place and maintain fair taxation of New Hampshire's open space. This is our sole mission, and we've been very good at it – changes in the rules and law have been minimal and broad support for the principles and promise of Current Use is solid, though not unshakeable.

In large part, our success can be tied to the commitment of our volunteers: the diverse and knowledgeable Board of Directors and a relatively small number of generous people who have given us needed financial support through the years. Donations are SPACE's sole means of keeping our organization in place, ready to educate – and intervene – when proposed changes

threaten to compromise the proven benefits of Current Use.

As we begin what promises to be a challenging year for keeping the Current Use Law intact, SPACE must raise additional revenues. Our Development Committee is exploring new ways to reach additional donors, and we are cautiously optimistic that over the next few years we will have a more stable and diverse revenue stream. As a past donor to SPACE, you who are receiving this appeal for financial support surely grasp the importance of Current Use. We ask that you again send a generous donation – increased if at all possible – to help SPACE continue our important work on your behalf.

Please use the enclosed remittance envelope."

**THANK YOU FOR YOUR SUPPORT!**

*SPACE has a new feature on our [www.nhspace.org](http://www.nhspace.org) website which will now allows you to make a donation using your Visa, Mastercard or Discover credit or debit card through [eprocessingnetwork.com](http://eprocessingnetwork.com). which uses the SSL, Secure Socket encryption technology, which is the industry standard for secure online transactions.*



SPACE will be drawing a winner from our Winter/Spring (December 2010-April 30, 2011) Kayak Package on May 1, 2011. If you have sent in a contribution of \$100.00 or more then you automatically are eligible to win a 12 ft. kayak, paddle and personal flotation device if your name is chosen. The winner is responsible to claim and pick up this prize at the EMS store in Concord, NH, no later than May 15, 2011. **THIS PRIZE IS NOT RETURNABLE FOR CASH. Check our website's opening page at: [www.nhspace.org](http://www.nhspace.org) to see who some of the past lucky raffle winners have been!**

SPACE would eventually like to get to a point where we could publish our two semi-annual newsletters only online. SPACE realizes that not everyone owns a computer or prefers receiving newsletters via email, and we certainly do not want to lose the ability to send newsletters to those of you who would still prefer a hard copy. It is important for us to know that if you have already provided, or wish to provide your email address to SPACE, and would prefer to receive all future newsletters via email, you email: [donna@nhspace.org](mailto:donna@nhspace.org) with your email address. SPACE can then remove your name from our hardcopy mailing list. You will be notified when the newsletter is available to be read online via the email address you have provided us. All newsletters that will be emailed in the future will come in a pdf.format. Issuing two annual newsletters a year to over 35,000 landowners is quite costly and currently accounts for almost 25% of our annual expenditures. Receiving the newsletter online will free up revenue for SPACE to continue and increase Current Use research and other educational and outreach efforts.



## UNDERSTANDING THE LAND USE CHANGE TAX (LUCT): *Northam Parr, Chair*



The land use change tax (LUCT) was included as an integral part of New Hampshire's Current Use Law, RSA 79-A, enacted in 1973. The intent was twofold: to provide a disincentive for the conversion of open space lands enrolled in the program; and when land is withdrawn from the program, to provide municipalities some "recapture" of property tax revenues foregone during the term of enrollment.

Simply put, a one-time tax, call it a penalty, is to be levied on land or portions thereof that no longer qualify as open space due to land use changes. The LUCT was and remains today set at 10% of the newly assessed market value (often referred to as ad valorem) as determined by the taxing authority of the municipality where the land is located. The owner of the property at the time of the change is liable for payment of the LUCT, within 30 days of receipt of notice from the town.

Sounds pretty straightforward, though as always, the devil is in the details. Section RSA 79-A:7 describes when and how the LUCT is to be applied; Administrative Rules CUB 307, 308 and 309 support and clarify the statute. Both the statute and rules are published annually by the Department of Revenue Administration (DRA) in the N.H. Current Use Criteria Booklet (and can be found on our website at [www.nhspace.org](http://www.nhspace.org)). As you may surmise, the LUCT has been a subject of some controversy with many appeals, legal challenges and legislative amendments proposed through the years. In fact, changes have been minor—largely focused on the timing of the assessment of the LUCT on larger development projects, and thus the amount of the penalty.

### WHAT CONSTITUTES A CHANGE IN USE?

Land enrolled in Current Use fits into three broad open space categories—farm, forest or "unproductive" in parcels totaling ten (10) acres or more. In addition, highly productive agricultural or horticultural land, producing an annual gross

income of \$2,500 or more, and natural wetlands both of **any size** may be enrolled in parcels of less than ten acres. Open space is comprised of **undeveloped land**—any land not used for residential, commercial or industrial purposes other than the growing of farm and forest products—and/or **unimproved land**—any land left in its natural state and devoid of structures or other improvements. Thus, any activity on land in current use that **develops** for such residential, commercial or industrial purposes, or **improves** by adding structures or other improvements therefore, or alters the natural state of the land constitutes a change in land use. Note that a change from one qualifying current use category to another—from forest to pasture for instance—does **not** constitute a change in use.

The triggers for the LUCT occur when actual on-site construction or conversion begins; when topsoil, minerals or gravel are excavated (for commercial use) from the site; or when a parcel is subdivided and no longer meets the ten acre threshold, where applicable, (due to sale and/or actual construction).

### IS THE LUCT EFFECTIVE?

There are currently over 2,919,000 acres of land enrolled in current use, about 51% of New Hampshire's land base. Despite conversion and thus withdrawal of some lands over time, this acreage has remained fairly constant, with gradual increase over time. There is no reliable figure available as to the actual number of acres removed since 1973. Over the past eight years, withdrawals have averaged about 7,500 acres/year, a significant number but a fraction of 1% of both total land base and acres enrolled. Remember, Current Use was not intended to be a vehicle for permanent land protection, nor to bankrupt owners who did convert land, but rather to prevent the burden of unreasonable annual property taxes from forcing owners to convert open space to more intensive/developed use.

*continued on page 6*

## NH Fish & Game Thanks New Hampshire Landowners

New Hampshire Fish and Game Department and its non-profit partner the Wildlife Heritage Foundation of New Hampshire extend our sincere appreciation for your generosity in sharing your land with New Hampshire hunters and anglers.

In New Hampshire, hunting and fishing are based upon the tradition of access to private land, which is a privilege granted through your generosity. Without the access that you provide, the opportunity to hunt or fish would not be available to most New Hampshire hunters and anglers.

Fish and Game's Landowner Relations Program is available to assist you with any concerns or issues you encounter in sharing your land. Through *Operation Land Share* access management signage has been designed to address the most common issues landowners experience in sharing their land and is available to you free of charge. For further information visit *Operation Land Share* at [www.wildnh.com/landshare](http://www.wildnh.com/landshare).

If Fish and Game can be of assistance to you, please do not hesitate to contact us at 603-271-3511 or at [landownerassistance@wildlife.nh.gov](mailto:landownerassistance@wildlife.nh.gov).

For information on the Wildlife Heritage Foundation of New Hampshire visit [www.nhwildlifefoundation.org](http://www.nhwildlifefoundation.org).

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### UNDERSTANDING THE LAND USE CHANGE TAX (LUCT): *continued from page 5*

Total Land Use Change Taxes collected over the past eight years have averaged more than \$7 million per year. For municipalities, the LUCT has been an important revenue source. SPACE-sponsored research studies completed in 1988, 1995 and 2002 looked at ten towns (eight in 2002) to determine if their LUCT receipts were sufficient to recover revenues forgone when withdrawn parcels were in current use (vs. annual ad valorem revenue). All studies showed a positive rate of return; that is, LUCT revenue exceeded the revenue the town would have collected on those parcels had they not been enrolled.

The same studies showed a declining rate of return the longer parcels had been in current use, but also an increased LUCT as land values rose over time. Another aspect of LUCT revenues is that over 160 N.H. municipalities, under RSA 79-A:25, have voted to allow some or all of their LUCT to be dedicated to a Conservation Fund. These funds, typically managed by the town's Conservation Commission, have proved important to community efforts to conserve local lands rich in natural resource values, and are often used to leverage other public and private funds for projects of scale.

SPACE believes that the LUCT has proven to be a most effective clause of Current Use, with a long track record of conserving our open spaces and serving our communities. No doubt there will be ongoing challenges to this aspect of the Current Use Law, but so far it is working well.

*Northam D. Barr*

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landowner,  
or friend  
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## NHTOA Centennial Celebration Plans Announced – “Centennial Update” Winter, 2011

Concord (NH) - The New Hampshire Timberland Owners Association (NHTOA) Centennial Committee has announced additional events and activities to be included as part of its Centennial Celebration year.

The Northern Forest Heritage Park in Berlin will be hosting the NHTOA as it commemorates the 100th anniversary of its founding. The original organizational meeting took place in nearby Gorham and included W.R. Brown of the Brown Company. The ceremony will be held at the eponymous Brown Company House Museum and will feature a proclamation by Governor John Lynch and the unveiling of a commemorative plaque.

The NHTOA is also pleased to announce that its Centennial Celebration Weekend May 20-22, 2011, at the Mountain View Grand in Whitefield NH is now open to those who would like to come only for the day's activities on Saturday, May 21st, as well as those who plan to stay for the weekend. Space is limited so those interested are advised to contact NHTOA soon.

The morning's activities will feature demonstrations depicting the progression of logging techniques from 1911 (hand saws, horses pulling logs, etc.) to 2011 mechanized logging. The NHTOA will also have a number of other artisans on hand

to demonstrate their talents working with wood. Added attractions will include narrated rides in tractor-drawn hay wagons and silvicultural discussions led by working foresters.

The afternoon setting will be Weeks State Park, ancestral home of Senator John Wingate Weeks, author of the 1911 Weeks Act, and the location of one of New Hampshire's 15 remaining fire watch towers. Afternoon activities will include narrated tours of the Weeks mansion, tours of the fire tower, and demonstration of fire-fighting equipment. The highlight of the afternoon will be an historical reenactment by the iconic figures of the era, including President Teddy Roosevelt, our “conservation President.”

Previously announced Centennial events include historical reenactment by Gary Hines, noted author and authority on the United States' first Chief Forester, Gifford Pinchot. Hines will be appearing as Pinchot at the NHTOA's Centennial Celebration Weekend and other Granite State venues during the weekend of May 19-22, 2011. Mr. Hines, who enjoyed a long and distinguished career in the US Forest Service, will also perform his own multi-media, one-act play describing the life and accomplishments of Pinchot, including the founding of the national forest system and the employment of many techniques of modern forestry.

Also, previously announced, is an “oral history” project which will describe the contributions of NHTOA member families to the New Hampshire Wood Products industry over the last 100 years.

“Centennial Updates” appear regularly in *Forest Fax* and *Timber Crier*, and on our website — come join us celebrate!

For any questions about the Centennial Celebration please contact the NHTOA office (603-224-9699) or via its website -- NHTOA.ORG.





*Supporting New Hampshire's working forests for 100 years*

**Special Offers for SPACE Newsletter Readers**

(Be sure to mention this advertisement when you call)

1. Join us today and receive a free sign for your property.
2. Tractor Workshop - June 4th. This workshop sells out every time so we have reserved a limited number of slots for SPACE newsletter readers. *You must register* by **May 1st** - \$30 non-members - \$20 for NHTOA members.

**NH Timberland Owners Association**  
54 Portsmouth St., Concord, NH, 03301  
P: (603) 224-9699 • F: (603) 225-5898  
E: [offmgr@nhtoa.org](mailto:offmgr@nhtoa.org) • Web: [www.nhtoa.org](http://www.nhtoa.org)



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