

What Exactly is Current Use?

From Barbara Richter, Executive Director of the New Hampshire Association of Conservation Commissions:

Current Use is a way to appraise property values that helps landowners with large parcels keep their farms and forests undeveloped. Instead of being taxed at its real estate market value, land is taxed on its income producing capability. In reality, it is simply using a different formula to assess taxes. This formula can also be used to assess rental properties to determine the price by calculating the income from the property. It is not unique to Current Use for land assessment.

Current Use is a form of Open Space Conservation because it enables landowners to keep their land open rather than being forced to sell it because of high property taxes. It was established in 1973 as a way to help control the loss of open land.

Current use law [NH RSA 79-A:1] states:

It is hereby declared to be in the public interest to encourage the preservation of open space, thus providing a healthful and attractive outdoor environment for work and recreation of the state's citizens, maintaining the character of the state's landscape, and conserving the land, water, forest, agricultural and wildlife resources. It is further declared to be in the public interest to prevent the loss of open space due to property taxation at values incompatible with open space usage. Open space land imposes few if any costs on local government and is therefore an economic benefit to its citizens. The means for encouraging preservation of open space authorized by this chapter is the assessment of land value for property taxation on the basis of current use. It is the intent of this chapter to encourage but not to require management practices on open space lands under current use assessment.

Current Use is generally applicable to farms and forest land larger than 10 acres. Landowners must apply for current use, but once enrolled in the program, current use runs with the land to future landowners. If the use of the land is changed it may no longer qualify for current use. When the change of use happens, a 10 % land use change tax is assessed. This often goes into a town's Conservation Fund. It is a one-time tax that is paid by THE DEVELOPER.