

PROPERTY TAXES IN NEW HAMPSHIRE: HOW THEY WORK AND HOW THEY COMPARE

Funding for public services in New Hampshire is reliant on property taxes. Most property taxes in the state are raised based on a tax rate applied to the value of the land, and the buildings on that land, within a municipality's borders. The property tax base, which is the total amount of taxable value of land and buildings within a community, can vary widely. These variations can be due to the relative value of land and houses near natural amenities such as lakeshores or coastlines, the prevalence of second homes relative to permanent residences, or the locations of large commercial or industrial facilities. Communities geographically adjacent to each other can have substantially different levels of taxable property wealth, which changes their fiscal capacities and can meaningfully affect the public services available to residents living across city or town borders from each other.

About 63 percent of all state and local government tax revenue in New Hampshire is raised through property taxes. Local governments in New Hampshire, including counties, cities, towns, and school districts, are more reliant on property taxes for overall revenue than local governments in any other state in the country.

This reliance results from two primary structural factors facing local governments in the state. First, local governments in New Hampshire do not have another major tax revenue source. Local governments are not permitted to tax anything that is not specifically authorized in New Hampshire State law, and nearly all local tax revenue comes from property taxes. Second, the State government provides a relatively low amount of aid to local governments, ranking 48th among the 50 states in the per person amount of funds provided to local governments in fiscal year 2022.

These structural factors put upward pressure on property taxes as State revenues for services are relatively limited compared to

KEY POINTS

- Property taxes in New Hampshire are charged on land and the buildings on them, and are primarily administered by cities and towns
- Property tax revenue is used to support municipal, school district, county, and state expenditures, and accounts for 63% of all tax revenue
- Local governments in New Hampshire relied on local property taxes for 61% of overall revenue, more than local governments in any other state in the country during fiscal year 2022
- The property tax bases to support local government expenditures vary considerably, as do property tax rates
- Property taxes are effectively the only major tax revenue option available to local governments in New Hampshire, and account for nearly six in ten dollars raised in state and local tax revenues in New Hampshire
- Local governments in New Hampshire received less aid from the State as a percentage of local revenue than 43 other states, and fewer dollars per capita than 47 other states
- Effective property tax rates are a larger percentage of income for households with lower and moderate incomes than for those with higher incomes

other states. Statewide, local property taxes paid to cities, towns, counties, and school districts increased \$1.52 billion (47.5%) from 2016 to 2025, unadjusted for inflation, rising to \$4.73 billion in 2025.¹ After adjusting for inflation to 2025 dollars, aggregate local property taxes in New Hampshire increased about \$510 million (12.1%) over the last ten years.² New Hampshire’s reliance on local property taxes has implications for Granite Staters, as property taxes typically result in a higher effective tax rate for residents with lower, middle, and upper-middle incomes than for those with the highest incomes.

This Report explains the basic mechanics of property taxes in New Hampshire and helps provide context for the importance of property tax revenues relative to other State and local revenue sources. This Report also compares the relative importance of property taxes in New Hampshire to other states and examines the impacts of property taxes by income and geography in New Hampshire.

PROPERTY TAXES IN NEW HAMPSHIRE: WHAT ARE THEY?

Property taxes are typically levied on wealth held as physical assets. In New Hampshire, property taxes are based on the assessed value of land and structures built on that land, and charged to the person, people, or other entity or entities owning that land and the structures on it.

The structure of property taxes can differ substantially by state. Some jurisdictions tax residential and commercial property differently, and tax deductions or exemptions from taxation can vary considerably.³ Property taxes can also encompass property beyond land and fixed structures, such as taxes on motor vehicles in Nebraska, North Carolina, and Virginia.⁴ Many early iterations of property taxes were designed to cover most or all forms of property, whether immovable or movable assets.⁵

In New Hampshire’s own history, taxes on property that was not real estate were designed to reflect the productivity of agricultural and other business properties, including taxes on stock in trade, livestock such as rabbits and poultry, mills, certain machinery, and fuel pumps and tanks. These taxes were repealed in favor of the State’s Business Profits Tax, which was established in 1970, in an effort to better reflect modern economic activity.⁶

Today’s property taxes in New Hampshire are taxes on land and the buildings on it, and have limited differentiations in effective rates between different types of property relative to some other jurisdictions outside of the state; while some property types, such as government and certain properties owned by charitable organizations, are treated differently in New Hampshire, other states and cities within them can apply different rates to residential and commercial properties. New Hampshire does not permit differences in rates between property types in that manner. Property taxes in New Hampshire are primarily administered by municipalities, although they help fund county, school district, and State expenditures as well as city and town budgets.⁷

TAX RATES ON NEW HAMPSHIRE PROPERTY TAX BILLS
Rates from Pembroke (2025) as Example

Municipal Tax Rate: \$5.42/\$1,000

County Tax Rate: \$1.58/\$1,000

Statewide Education Property Tax Rate (fixed to raise the same amount of money statewide each year, but implemented rate can vary by city and town): \$1.09/\$1,000

Local Education Tax Rate: \$13.75/\$1,000

[Separate Village District or Other Precinct Tax Rate, if applicable]: \$0.00/\$1,000

Total Tax Rate: \$21.84/\$1,000

Note: Pembroke included the geographic center of state’s population, based on the 2020 Census. Sources: RSA 76; New Hampshire Department of Revenue Administration; New London, New Hampshire Property Tax Payments website, accessed February 2026; Guide to Understanding Your Tax Bill, Town of Mason, New Hampshire, December 2023; U.S. Census Bureau, 2020 Centers of Population nhfpi.org

Municipal governments raise revenue by taxing property within their borders, and those revenues also interact with other levels of government. Counties charge property taxes administered by the towns and cities within their borders, and school districts work with municipalities to collect revenue through local property taxes as well. County, local school, and village or other taxing jurisdiction's property taxes appear on a residential property tax bill alongside the municipal property tax and the Statewide Education Property Tax (SWEPT).

STATE PROPERTY TAXES

SWEPT is a State tax that local governments collect and deploy for local public education on behalf of the State. The tax is set to raise \$363 million each year, and the State's Department of Revenue Administration calculates the amount each community must raise by applying a statewide rate. However, the actual rate at the local level varies depending on the timing of assessments within a community alongside the potential effects of specific credits or exemptions a community has adopted. While the SWEPT previously collected some money for the State to use for education from certain communities with a combination of relatively high property values and lower student populations, all the money raised by SWEPT has remained local since 2012. This locally-retained revenue includes revenue collected by the relatively high-wealth communities that raise more revenue than is needed from SWEPT alone to fulfill the State's obligation for local public education; in these instances, the State does not have to send any additional resources to a local government to comply with its obligations from the education funding formula, and local governments keep the excess.⁸

The State also administers the Utility Property Tax directly. All properties pay SWEPT except those meeting a certain definition of utility properties in State law. Those properties pay the Utility Property Tax directly to the State, and the revenue from this tax also supports State funding for education.⁹

HOW DO PROPERTY TAXES WORK?

Property taxes are paid by property owners in the state, typically either twice per year directly or through the institution that administers the mortgage for a property; in most cases, a monthly mortgage payment includes a property tax payment.¹⁰ The amount owed in property taxes is based on the value of the taxable property owned, the tax rate, and any exemptions or credits that could be applied.

ASSESSMENTS AND RATES

The value of a property is determined through an assessment process. Periodic assessments help owners and public officials understand property

PROPERTY TAX CREDITS, EXEMPTIONS AND OTHER CHANGES

State law requires communities to provide certain property tax credits for residents, and also gives communities options to implement or expand some of those credits. In other instances, such as Current Use, the State requires local governments to assess certain properties at less than their market value. Significant property tax exemptions, typically removing part of the value of a property from taxation, or credits and rebates required or permitted by State law include:

- Veterans' credits, including credits for veterans with disabilities and optional credits
- Older adult, blind, deaf, and disability exemptions
- Improvements to assist individuals with disabilities, including difficulty hearing
- Buildings owned by governments and certain religious, educational, or charitable organizations
- Wood-heating energy, solar, and wind-powered energy system exemptions
- Electricity storage and renewable generation facility system exemptions
- Water and air pollution control facilities
- Low- and moderate-income homeowners, rebated from the Statewide Education Property Tax
- Public cemeteries, certain ski area equipment, and optional exemptions for certain privately-owned air navigation facilities usable by the public without charge
- Current Use, which reduces the taxable value of certain open spaces to the income-producing ability of the land in present-day use, rather than real estate market value

For more details, see the New Hampshire Assessing Standards Board's Assessing Reference Manual "Understanding New Hampshire Property Taxes" (2019); RSAs 72, 76, and 79-A; and the New Hampshire Department of Revenue Administration's 2025 Annual Report.

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values as market conditions change, such as the large increase in residential home property values following the COVID-19 pandemic.¹¹ Reappraisals of real estate property must occur at least once every five years, according to State law.¹² The New Hampshire Department of Revenue Administration has an equalization process to help account for differences in the timing of reassessments across communities when setting certain tax rates. Municipalities often hire professional assessors to determine the taxable values of properties; assessors will typically both visit properties to examine their conditions and use comparable data about property sales, among other strategies, to determine a property’s value.¹³

Assessments can be a source of disagreement in determining property tax liabilities. Determining the value of a property requires a wide array of considerations and may be difficult without judgments and estimates, particularly when transaction prices in property markets are changing quickly. Examining national data, researchers have found instances of systematic underestimation or overestimations of certain types of property values in assessments in different parts of the country. Valuations can also surprise homeowners due to changes in the values of nearby properties, although New Hampshire’s requirement that properties be reassessed at least once every five years limits some of the challenges identified elsewhere.¹⁴

New Hampshire has an Assessing Standards Board to help ensure uniformity and equity in assessment practices.¹⁵ Technical assistance and reviews are also provided through the New Hampshire Department of Revenue Administration.¹⁶ The State also has a Board of Tax and Land Appeals to help resolve tax-related questions and disputes.¹⁷

Increases in assessments can lead to higher taxes paid by homeowners or businesses, but the tax rate determines the amount of tax owed and whether changes in assessments raise, lower, or otherwise change the distribution of taxes owed across multiple properties. Property tax rates are set by the New Hampshire Department of Revenue Administration based on information, such as approved appropriations and revenue from non-tax sources, provided to the Department by the municipalities.¹⁸ If

PROPERTY TAX PAYMENT SCENARIOS		
Based on Assessed Values and Rates		
Assessed Property Value	Total Tax Rate in Dollars Per Thousand	Amount Paid
\$750,000	\$10.00	\$7,500
\$500,000	\$15.00	\$7,500
\$300,000	\$25.00	\$7,500
\$200,000	\$37.50	\$7,500

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the assessed value of a property increases but the tax rate decreases correspondingly, then the amount of dollars paid in taxes could remain the same.¹⁹

Rates are typically expressed as a mill rate, rather than a percentage, although both reflect the same concept; a mill rate of \$25 in tax per \$1,000 of value is

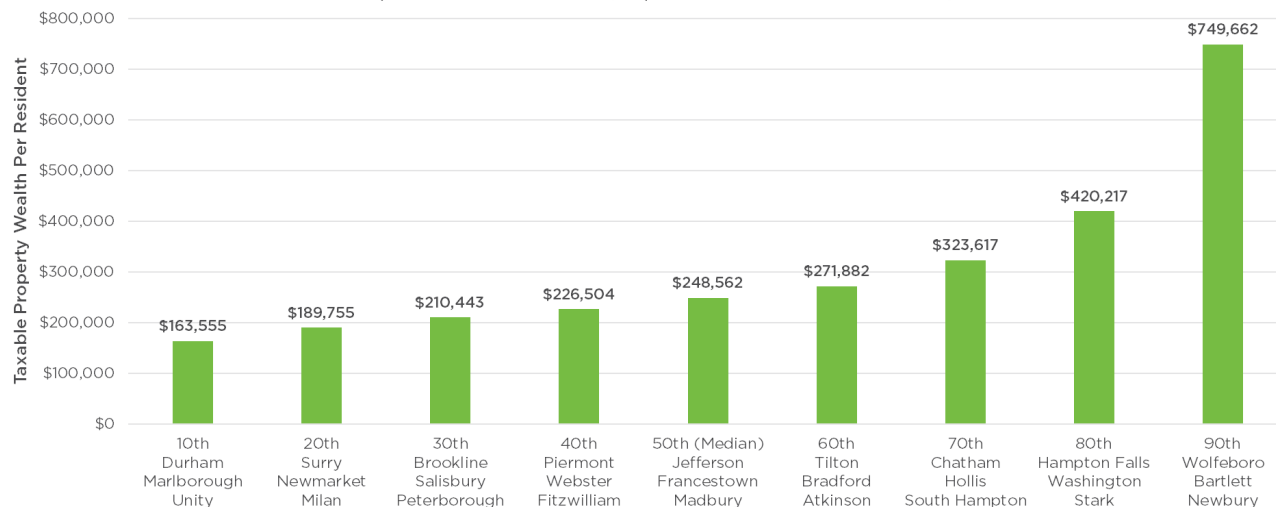
the same as a 2.5% tax rate. Many communities in New Hampshire experienced a rapid increase in housing values following the COVID-19 pandemic due to rising assessments, but the average tax rate across New Hampshire municipalities dropped from \$20.96 in 2019 to \$15.83 in 2025. However, the total amount of property taxes paid increased by about \$1.17 billion from 2019 to 2025.²⁰

TAX BASES VARY CONSIDERABLY

The aggregate amount of wealth available for taxation in a community is the property tax base. Not all land and buildings are taxable under State law, and exemptions or other adjustments may change the amount a property is taxed. A wide variety of exemptions and other adjustments to assessed values reduce the amount of taxable property within municipal borders, and credits could also reduce the tax liability of individual taxpayers (see Property Tax Credits, Exemptions and Other Changes box).

TAXABLE PROPERTY VALUE PER PERSON IN MUNICIPALITIES BY PERCENTILE

New Hampshire Cities and Towns, Equalized Valuation Per Resident, 2024



Percentile Values and Three Closest Municipalities to Each Percentile

Note: Only includes communities with population. Percentiles based on range of values, not pegged to closest individual communities.
Sources: New Hampshire Department of Revenue Administration, Equalized Valuation Tables by County, Including Railroads and Utilities, 2024;
U.S. Census Bureau, Population Estimates Program, July 1, 2024 Population Estimates

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For example, Current Use is a policy designed to protect open space by reducing the taxable value of a property, typically sized at 10 acres or more, to only the value it could produce in its current status, rather than its fair market value. Municipalities are required by State law to provide this tax break to qualified applicants, but they are not reimbursed for the lost tax base.²¹ A wide variety of tax credits or exemptions, including those for older adults, veterans, and individuals with disabilities, are either optional or required under State statute.²²

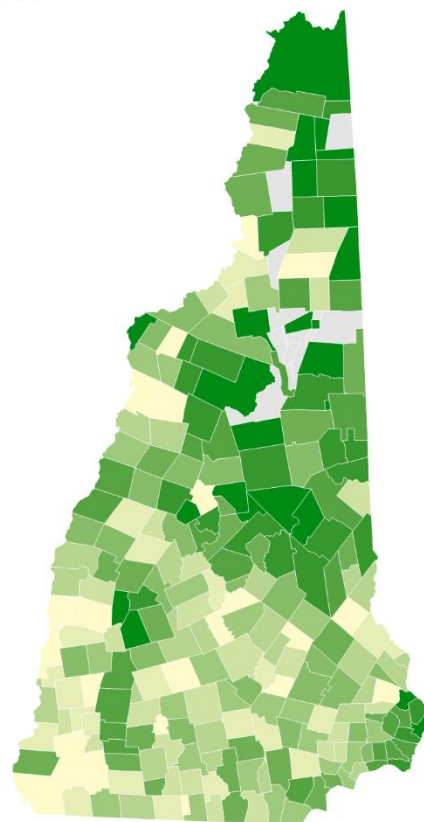
Tax bases can vary widely by community because of other factors as well. The mix of commercial, industrial, and residential property can impact tax bases, but influences beyond a municipality's control can be significant. If a city or town has a lakeshore, coastline, or mountainside suitable for a ski area, adding property value at a rate that exceeds the rising costs of providing public services may be a more obtainable goal than for communities without such natural amenities.

One measure of the relative ease or difficulty of raising revenue for public services at the local level is the amount of taxable property

Taxable Property Wealth Per Capita

Equalized Valuation Per Resident by Municipality in 2024, Only Includes Communities with Population

Equalized Valuation Per Capita, In Dollars



Note: Communities in grey did not have any population per U.S. Census Bureau estimates for 2024.

Map: New Hampshire Fiscal Policy Institute • Source: New Hampshire Department of Revenue Administration and the U.S. Census Bureau Population Estimates Program • Created with Datawrapper

per resident, also known as Equalized Valuation Per Capita (EVPC).²³ The median EVPC among New Hampshire municipalities in 2024 was \$248,562. However, 15 communities, primarily in northern and western New Hampshire, had an EVPC of less than \$150,000, with Berlin recording the lowest at \$113,269. Of the 18 communities with \$900,000 in EVPC or more, valuable houses on lakefronts, second homes near ski areas, property on or near the ocean, and vacation properties in rural areas with relatively few permanent inhabitants appear to have favorable relative valuations compared to other communities in the state.²⁴

These significant differences in taxable property value per resident suggest some communities may have much less fiscal capacity to cover public service costs than others, as property taxes are the primary source of revenue for local governments in New Hampshire.

THE MOST IMPORTANT LOCAL GOVERNMENT REVENUE SOURCE

Local governments, including cities, towns, school districts, and counties, rely heavily on property taxes to fund services in New Hampshire. Data from the U.S. Census Bureau's most recent complete census of state and local government finances found that 61% of all New Hampshire local government revenue, from all tax or non-tax revenue sources, came from local property taxes in Fiscal Year 2022.²⁵

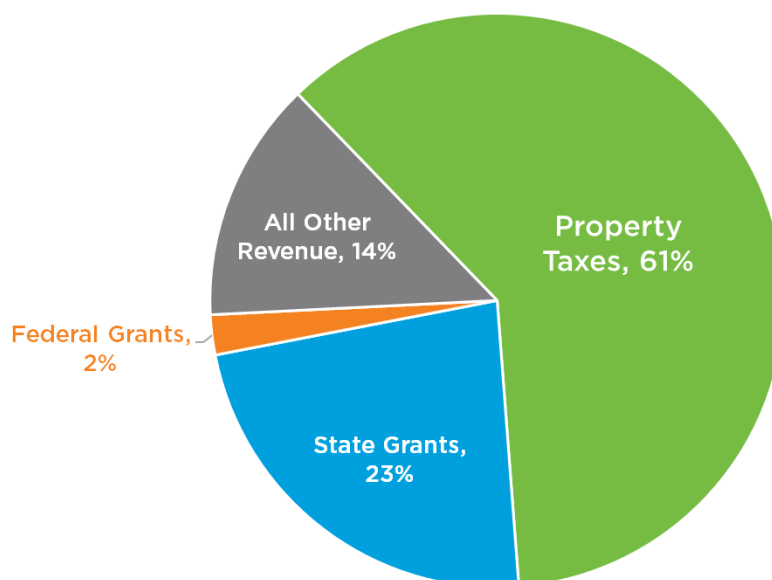
While federal funds comprise a significant portion of State government revenue in New Hampshire, totaling about 35% in State Fiscal Year 2024, direct federal funding to New Hampshire's local governments is a relatively small portion of all local funding.²⁶ About 2% of all local revenue was from federal grants, and 23% came from grants from the State government. The 14% of revenue remaining resulted from a variety of revenue sources, including payments for school lunches, motor vehicles registration fees, payments for parking, and other miscellaneous revenues collected by local governments in New Hampshire.²⁷

The percentage of total local public revenues coming from property taxes is higher in New Hampshire than in any other state in the country. New Hampshire's 61% figure is slightly higher than the 60% reliance in Connecticut, and higher than the 56% of all local revenue coming from property taxes for New Jersey's local governments. The overall nationwide percentage of local revenue from property taxes totaled 27% in Fiscal Year 2022.

New Hampshire's local governments received a lower percentage of total revenue from state government aid than local governments in most other states. During Fiscal Year 2022, local governments nationwide

LOCAL GOVERNMENT REVENUE SOURCES

New Hampshire, Fiscal Year 2022



Note: Statewide Education Property Tax removed from local tax collection total to adjust for apparent double-counting in U.S. Census Bureau data.
Sources: U.S. Census Bureau, Survey of State and Local Government Finances; New Hampshire Department of Revenue Administration; New Hampshire Annual Comprehensive Financial Report

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PROPERTY TAXES AS A PERCENTAGE OF LOCAL GOVERNMENT REVENUE

Fiscal Year 2022, Including All Tax and Non-Tax Revenue Sources

Highest	New Hampshire	61%
	Connecticut	60%
	New Jersey	56%
	Maine	51%
	Rhode Island	50%
	<i>United States Average</i>	<i>27%</i>
Lowest	Tennessee	17%
	Washington	16%
	Nevada	13%
	Alabama	10%
	Arkansas	10%

Note: Statewide Education Property Tax removed from local tax collection total to adjust for apparent double-counting in U.S. Census Bureau data.

Sources: U.S. Census Bureau, Survey of State and Local Government Finances; New Hampshire Department of Revenue Administration; New Hampshire Annual Comprehensive Financial Report

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STATE AID AS A PERCENTAGE OF LOCAL GOVERNMENT REVENUE

Fiscal Year 2022, Including All Tax and Non-Tax Revenue Sources

Highest	Vermont	58%
	Arkansas	44%
	Delaware	42%
	Michigan	42%
	Nevada	41%
	<i>United States Average</i>	<i>28%</i>
	<i>New Hampshire (44th)</i>	<i>23%</i>
Lowest	New York	20%
	Colorado	19%
	Florida	19%
	Nebraska	16%
	Hawaii	6%

Note: Statewide Education Property Tax removed from local tax collection total to adjust for apparent double-counting in U.S. Census Bureau data.

Sources: U.S. Census Bureau, Survey of State and Local Government Finances; New Hampshire Department of Revenue Administration; New Hampshire Annual Comprehensive Financial Report

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received about 28% of all revenue from their state governments, while in New Hampshire the figure was 23%, ranking it 44th among states by this metric.

The differences between states reflected their distinct situations and how state policies relate to local governments. In Hawaii, only 6% of local government revenue came from the state, as the state government operates the single statewide school district directly, rather than local governments running school districts.²⁸

Conversely, Vermont's high 58% of local revenue coming from the state government is also related to the financial structure of education funding, as the state government collects significant resources from a wide variety of sources, including property taxes, and redistributes them to local governments.²⁹ Other states may also have adopted other funding responsibilities that New Hampshire and other states have left to local governments, and certain states, such as New York, have very large local governments that raise significant revenue for services provided to the significant populations living in major cities.

Relative to funding for education specifically, New Hampshire had the lowest percentage of local

public education revenue that comes from the State government of any state in the country at about 29%. This relatively low percentage reflects that local public education generally receives a higher percentage of State funding than other local government services within the state but contributes to New Hampshire's overall lower ranking compared to most other states.³⁰

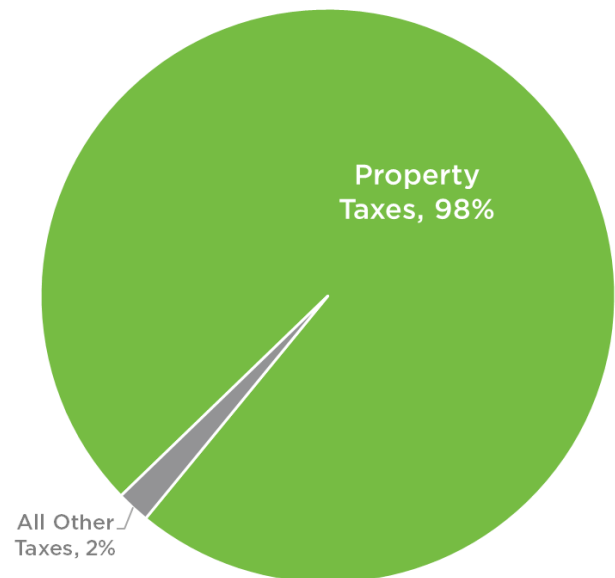
FEW LOCAL TAX OPTIONS IN NEW HAMPSHIRE

Local governments in some other states, particularly in the southeastern United States, rely on property taxes for a relatively small amount of their revenues.³¹ In New Hampshire and some other northeastern states, however, property taxes are the primary source of revenue, and the only form of significant tax revenue, available for local governments.

New Hampshire local governments have limited tax revenue options because the State government provides limited options. New Hampshire is not a “home rule” state, meaning local governments have only the powers expressly granted to them by the State government.³²

As the State government provides limited tax options to local governments, there is greater upward pressure on property taxes when other revenue sources are insufficient to cover local expenses. Municipal tax revenue sources in New Hampshire also include the Excavation (or Gravel) Tax and the Timber Tax, but neither generate either reliable or substantial revenue for most municipalities.³³ The U.S. Census Bureau counts certain utility revenue as tax revenue in its calculations for New Hampshire local governments as well. About 98% of all

LOCAL TAX REVENUE IN NEW HAMPSHIRE BY TYPE, FISCAL YEAR 2022

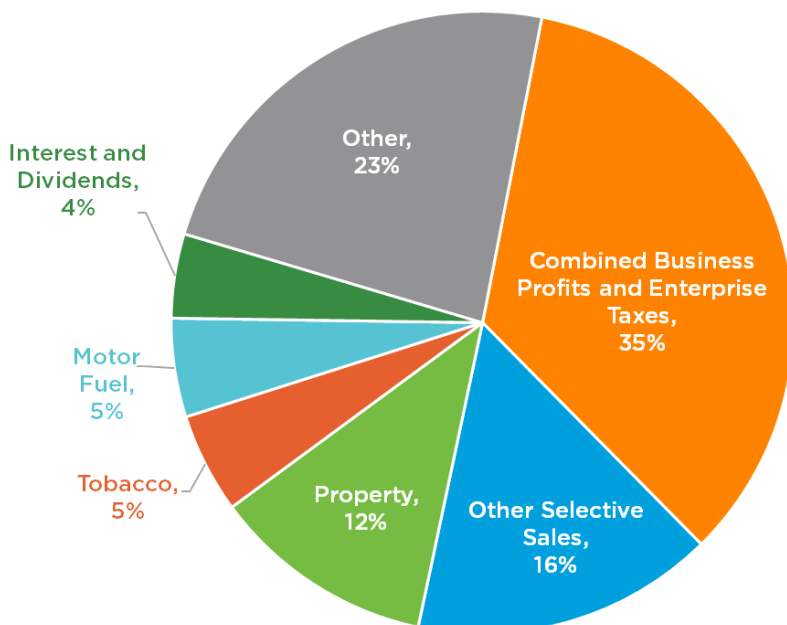


Note: Statewide Education Property Tax removed from local tax collection total to adjust for apparent double-counting in U.S. Census Bureau data.
Sources: U.S. Census Bureau, Survey of State and Local Government Finances; New Hampshire Department of Revenue Administration; New Hampshire Annual Comprehensive Financial Report
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local government tax revenue in New Hampshire came from property taxes in Fiscal Year 2022.

ALL STATE TAX REVENUE BY TYPE

U.S. Census Bureau Data, New Hampshire, Fiscal Year 2022



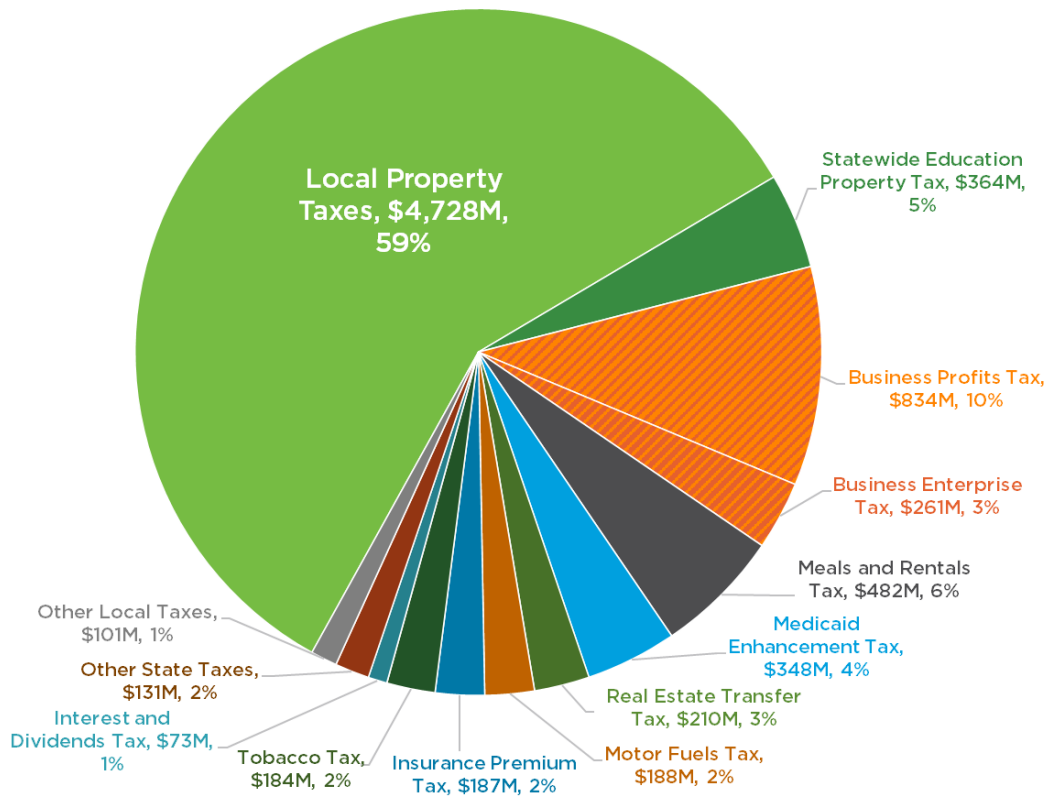
Source: U.S. Census Bureau, Survey of State and Local Government Finances

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This tax revenue composition is very different than the New Hampshire State government’s collection of tax revenue sources. The State has a relatively diverse array of taxes. The State counts SWEPT as a revenue source because it helps fund the amount the State owes local governments for local public education, even though all revenue is raised and retained locally. The U.S. Census Bureau data collections showed that the State’s two property taxes accounted for only 12% of tax revenue. The most dominant type of tax revenue source was the taxation of businesses, comprised of the Business Profits Tax and the Business

STATE AND LOCAL TAXES IN NEW HAMPSHIRE

State Fiscal Year or Tax Year 2025



Sources: New Hampshire Annual Comprehensive Financial Report, State Fiscal Year 2025; New Hampshire Department of Revenue Administration, 2025 Annual Report and Completed Public Tax Rates 2025; U.S. Census Bureau, Survey of State and Local Government Finances, 2022; New Hampshire Department of Administrative Services Monthly Revenue Focus, April 2025

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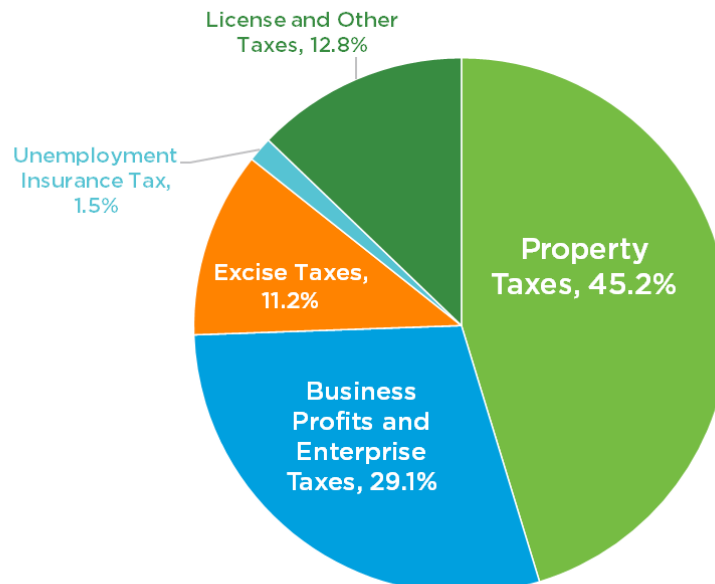
Enterprise Tax, and totaling about 35% of all State tax revenue.³⁴ These percentages have also changed substantially across years, reflecting the increases and decreases in the economic activities these taxes rely upon for revenue as well as State policy changes, such as the 2025 repeal of the Interest and Dividends Tax.³⁵ The diversity of revenue sources reflects the ability of State policymakers to create or eliminate sources directly, under their own authority, in each legislative session.

While business taxes constitute the largest source of State tax revenue, administrative data collected by the State

show that property taxes comprise the majority of all combined State and local tax revenues collected in New Hampshire. In State Fiscal Year 2025 and in the closest equivalent data for local tax years, nearly 59% of all State and local (non-federal) tax revenues in New Hampshire were local property taxes. SWEPT, which is raised and retained locally as part of local property taxation even though it is technically State aid, adds to the total and results in about 63% of all State and local tax revenue coming from property taxes raised and retained locally.

PERCENTAGE OF THE TOTAL TAX DOLLARS PAID BY BUSINESSES BY TYPE OF TAX

New Hampshire State and Local Taxes, Fiscal Year 2024



Note: Totals do not sum to 100 percent due to rounding.

Source: Council on State Taxation, *Total State and Local Business Taxes*, December 2025

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Measuring only the dollars paid in State and local taxes by businesses, the property tax continues to overshadow other tax revenue sources. The most recent analysis published by the Council on State Taxation estimated that, in Fiscal Year 2024, about 45% of the combined tax dollars paid by businesses in New Hampshire to the State and to local governments was in property taxes. The combined Business Profits Tax and Business Enterprise Tax receipts totaled about 29% of total tax dollars paid by New Hampshire businesses, despite being taxes specifically on businesses.³⁶

Considered together, these figures suggests that, relative to public dollars flowing to areas of greatest need in the state, more than six in ten tax dollars raised are based on taxable local property values and remain local when spent; those local property taxes are the major tax that most individuals, families, and business pay, and the major source of tax revenue for public services. Local property tax bases are more constrained in communities with more limited property wealth, which may diminish their fiscal capacities and abilities to invest in themselves.³⁷

COMPARING PROPERTY TAXES ACROSS STATES

While local governments in New Hampshire are far from alone in primarily using tax revenue from property taxes for supporting local services, New Hampshire’s State and local funding is heavily reliant on property taxes relative to other states.

PROPERTY TAX REVENUE AS PERCENTAGE OF ALL STATE AND LOCAL TAX REVENUE		
Fiscal Year 2022, Not Including Non-Tax Revenue Sources		
Highest	New Hampshire	60%
	Texas	41%
	Vermont	39%
	New Jersey	39%
	Rhode Island	36%
	United States Average	27%
Lowest	Hawaii	17%
	Arkansas	16%
	Delaware	15%
	Alabama	15%
	New Mexico	14%
Note: Statewide Education Property Tax removed from local tax collection total to adjust for apparent double-counting in U.S. Census Bureau data.		
Sources: U.S. Census Bureau, Survey of State and Local Government Finances; New Hampshire Department of Revenue Administration; New Hampshire Annual Comprehensive Financial Report		
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Examining state and local funding together is critical for understanding resources available for public services. States interact with their local governments in a wide variety of ways; Vermont and Hawaii using very different approaches for the funding and administration of education in their respective states is a prime example of how resources can flow differently between state and local governments to deliver potentially similar services. Examining only state taxes or revenues in isolation from local taxes or revenues provides key insights, but only one component of the overall picture.

In total, about 60% of all State and local tax revenue raised in New Hampshire during Fiscal Year 2022 was from property taxes, according to these U.S. Census Bureau data that permits comparisons across states. That figure showed a substantially higher degree of reliance on property taxes than the next-closest state, Texas, at 41%. The average across the 50 states of the United States was 27%, indicating slightly more than a quarter of all the state and local government tax revenue nationwide came from property taxes.

Several states, including a diversity of geographies, were far less reliant on property taxes for tax revenue, including Hawaii, Arkansas, Delaware, Alabama, and New Mexico. All five of those states raised less than 18% of their total state and local tax revenues from property taxes.

While New Hampshire was more reliant on property taxes for tax revenue than any other state, the amount of dollars raised per person from property taxes in New Hampshire was not the highest in the country.

On a per capita basis, New Hampshire had the second highest property taxes in the country. New Jersey had the highest property taxes, with about \$3,617 paid per person in Fiscal Year 2022, ahead of New Hampshire's \$3,388. Connecticut was just behind New Hampshire in these estimates, with \$3,356 in property tax revenue

per person. New York and Vermont had the fourth and fifth-highest totals, respectively. These five states also had the highest property taxes per capita five years earlier, in fiscal year 2017, among the 50 states.³⁸

The northeastern states topping this list all substantially outpaced the \$1,943 per capita collected in state and local property taxes nationwide. Several other states, primarily in the southeastern United States, had less than half the property tax revenue per capita of the national figure.

The difference between the percentage reliance on property taxes and the amount raised per person is because some other states raise more revenue in taxes than New Hampshire's state and local governments do; these decisions result in lower relative rankings in the amounts raised in property taxes even with higher percentage reliance on property taxes in New Hampshire. The State of New Hampshire raised less tax revenue, on a per capita basis, than any other state in the country in Fiscal Year 2022. The State raised \$2,514 per person, which was behind Florida's \$2,648 in state tax revenue per capita. The amount of state tax revenue raised per person nationally was \$4,412 that year.

However, when local taxes are included in the comparisons, the relative positions change substantially. While Florida only rises two spots, New Hampshire increases from 50th to 32nd in relative position, showing that the inclusion of the local property tax substantially affects the taxes people pay in New Hampshire. State and local taxes in New Hampshire totaled \$5,669 per person in Fiscal Year 2022, which was still below the nationwide figure of \$7,089.

These data also show why New Jersey and Connecticut are less reliant on property taxes for their tax revenues in percentage terms than New Hampshire, but raise nearly as much, or more, money per person than New Hampshire in property taxes. New Jersey raised about \$9,354 in total taxes per person, and

PROPERTY TAXES PAID PER CAPITA		
Fiscal Year 2022, State and Local Taxes		
Highest	New Jersey	\$3,617
	New Hampshire	\$3,388
	Connecticut	\$3,356
	New York	\$3,314
	Vermont	\$3,179
	<i>United States Average</i>	<i>\$1,943</i>
Lowest	Kentucky	\$1,019
	Tennessee	\$969
	Oklahoma	\$938
	Arkansas	\$860
	Alabama	\$697
Note: Statewide Education Property Tax removed from local tax collection total to adjust for apparent double-counting in U.S. Census Bureau data. Sources: U.S. Census Bureau, Survey of State and Local Government Finances and Population Estimates Program; New Hampshire Department of Revenue Administration; New Hampshire Annual Comprehensive Financial Report nhfpi.org		

STATE AND LOCAL TAX REVENUE PER CAPITA

Fiscal Year 2022, Tax Revenue Sources Only

Relative Rank	State	State Taxes Only	State	State and Local Taxes Combined
Highest	California	\$7,237	New York	\$12,732
	Hawaii	\$7,137	California	\$10,319
	North Dakota	\$6,851	Connecticut	\$9,703
	Vermont	\$6,813	Hawaii	\$9,525
	New York	\$6,703	New Jersey	\$9,354
	<i>United States Average</i>	<i>\$4,412</i>	<i>United States Average</i>	<i>\$7,089</i>
			New Hampshire (32nd)	\$5,669
Lowest	Missouri	\$2,733	Missouri	\$4,976
	South Dakota	\$2,721	Florida	\$4,854
	Texas	\$2,715	Mississippi	\$4,772
	Florida	\$2,648	Alabama	\$4,709
	New Hampshire	\$2,514	Tennessee	\$4,699

Note: Statewide Education Property Tax removed from local tax collection total to adjust for apparent double-counting in U.S. Census Bureau data.

Sources: U.S. Census Bureau, Survey of State and Local Government Finances and Population Estimates Program; New Hampshire Department of Revenue Administration; New Hampshire Annual Comprehensive Financial Report nhfpi.org

TOTAL STATE AND LOCAL GOVERNMENT REVENUE PER CAPITA

Fiscal Year 2022, Tax and Non-Tax Sources

Highest	New York	\$22,435
	Alaska	\$21,332
	New Mexico	\$19,979
	Wyoming	\$19,540
	California	\$18,888
	<i>United States Average</i>	<i>\$14,185</i>
Lowest	New Hampshire (45th)	\$11,106
	Missouri	\$11,047
	Tennessee	\$10,857
	Florida	\$10,855
	Idaho	\$10,592
	Georgia	\$10,248

Note: Statewide Education Property Tax removed from local tax collection total to adjust for apparent double-counting in U.S. Census Bureau data.

Sources: U.S. Census Bureau, Survey of State and Local Government Finances and Population Estimates Program; New Hampshire Department of Revenue Administration; New Hampshire Annual Comprehensive Financial Report nhfpi.org

Connecticut collected about \$9,703 per resident, leading to a larger total amount of taxes than New Hampshire and making property taxes per capita less important in the overall tax revenue picture. Florida raises less tax revenue for public services at both the state and local levels; Texas's rank climbed to 34th, a similar increase to New Hampshire's jump, when local taxes were also incorporated.

Counting all revenue, including federal transfers and other non-tax revenue sources, New Hampshire also has less revenue available for public services per resident than most other states. New Hampshire state and local government revenue per capita ranked 45th in the country, at about \$11,106 in Fiscal Year 2022. That was less than the

nationwide figure of \$14,185 and the diverse collection of states at the top of the list. New York had about twice as much relative public revenue for services as New Hampshire, totaling \$22,435 per capita. Alaska, New Mexico, and Wyoming, which were also near the top of the list, likely had public revenues fueled in part by their respective energy sectors and federal aid.

New Hampshire's local governments, with their significant responsibilities and reliance on local property taxes, do not appear to be collecting a disproportionately large amount of revenue per capita relative to their peers in other states. Counting local revenue from all sources, New Hampshire's local governments ranked 40th in public revenue per resident. New Hampshire's cities, towns, counties, school districts, and village districts raised about \$5,076 per capita, which was nearly \$2,000 less than the nationwide figure.

LOCAL GOVERNMENT REVENUE AND STATE CONTRIBUTIONS				
Fiscal Year 2022, Percentage of All Tax and Non-Tax Revenue Sources				
Relative Rank	State	Total Local Revenue Per Capita	State	State Contributions to Local Revenue Per Capita
Highest	New York	\$11,169	California	\$3,625
	California	\$10,634	Wyoming	\$3,424
	Wyoming	\$10,340	Vermont	\$3,375
	Nebraska	\$9,104	North Dakota	\$2,985
	Washington	\$8,966	Nevada	\$2,831
	<i>United States Average</i>	<i>\$7,021</i>	<i>United States Average</i>	<i>\$1,983</i>
	<i>New Hampshire (40th)</i>	<i>\$5,076</i>		
Lowest	Idaho	\$4,642	South Dakota	\$1,214
	Kentucky	\$4,381	West Virginia	\$1,201
	Arkansas	\$4,306	New Hampshire	\$1,176
	Hawaii	\$4,148	Florida	\$1,149
	West Virginia	\$3,914	Hawaii	\$256
Note: Statewide Education Property Tax removed from local tax collection total to adjust for apparent double-counting in U.S. Census Bureau data. Sources: U.S. Census Bureau, Survey of State and Local Government Finances and Population Estimates Program; New Hampshire Department of Revenue Administration; New Hampshire Annual Comprehensive Financial Report nhfpi.org				

Meanwhile, New Hampshire ranked near the bottom in state aid provided to local governments. On a per capita basis, New Hampshire local governments received less revenue from the State government than in any other state except for two, Florida (which had a similar per capita figure to New Hampshire) and Hawaii. As noted previously, Hawaii's State government directly administers its public schools, which reduces the size of local public budgets relative to other states.

RAISING REVENUE FROM OTHER SOURCES

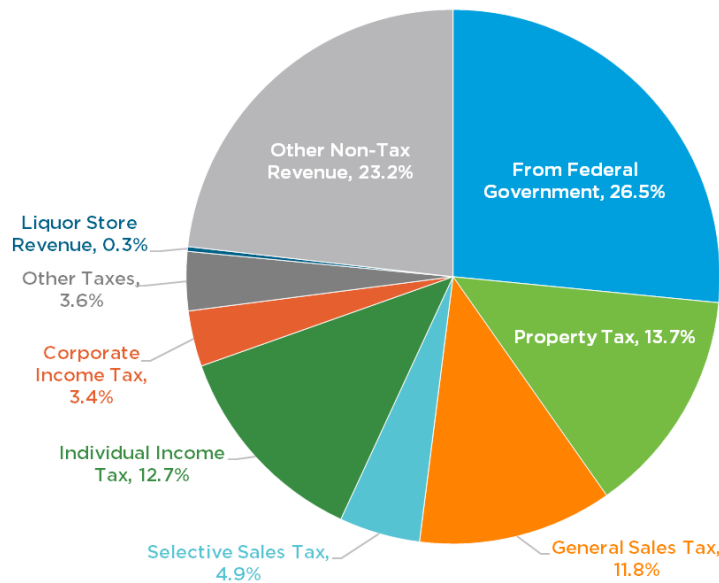
Other states are far less reliant on property taxes in part because of a greater reliance on other revenue sources. Forty-five states have a broad-based statewide sales tax, and forty-one states have a broad-based income tax. Only one other state, Alaska, lacks both broad-based income and sales taxes, and unlike New

Hampshire, Alaska both has revenue generated from oil production and is one of 38 states that allows local sales taxes.³⁹

Relative to state and local governments around the nation, property taxes are much more important for the overall revenue picture in New Hampshire. Nationwide, about 14% of all state and local government revenue, from both tax and non-tax revenue sources such as fees and highway tolling, came from property taxes. In New Hampshire, about 30% of all State and local revenue stemmed from property taxes, more than double the national portion and the highest of any state.

Revenue that came directly from the federal government accounted for almost the same percentage in New Hampshire state and local governments in aggregate as it did nationally (27%). While selective sales taxes, such as on restaurant meals and gasoline, were more important in New Hampshire (6%) than nationally (5%), general sales taxes accounted for about 12% of state and local revenue nationally and do not exist in New Hampshire. New Hampshire's individual income tax, the now-repealed State-level Interest and Dividends Tax, accounted for about 1% of combined total state and local revenue in fiscal year 2022, while individual income taxes nationwide accounted for about 13% of total state and local revenues. Corporate income tax revenue was more than twice the portion (8%) of government revenue in New Hampshire as it was nationally (3%), and liquor store revenue, separate from specific taxation of liquor, was also a much larger portion of total revenue than it was for state and local governments nationwide on average.

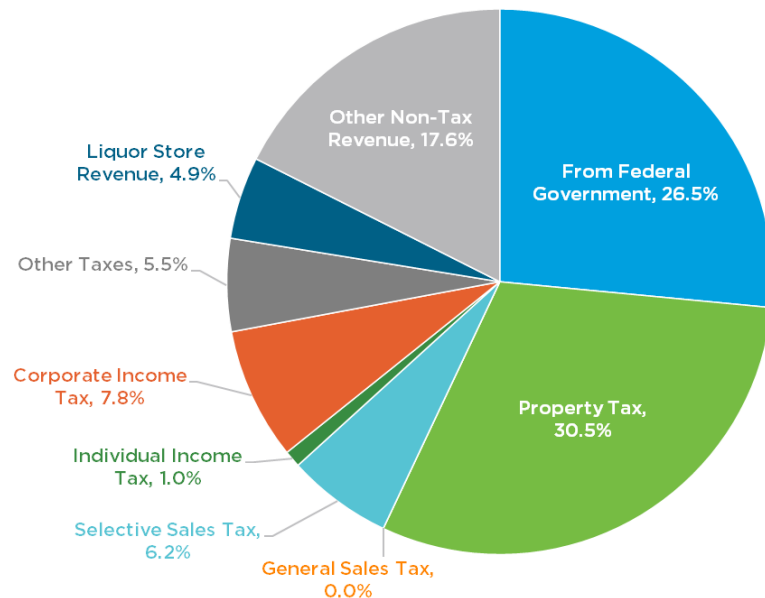
STATE AND LOCAL REVENUE FROM ALL SOURCES, ALL STATE AND LOCAL GOVERNMENTS NATIONWIDE, FISCAL YEAR 2022



Source: U.S. Census Bureau, Survey of State and Local Government Finances

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STATE AND LOCAL REVENUE FROM ALL SOURCES, NEW HAMPSHIRE, FISCAL YEAR 2022



Note: Statewide Education Property Tax removed from total property taxes to adjust for apparent double-counting.

Source: U.S. Census Bureau, Survey of State and Local Government Finances

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Alaska, the only state other than New Hampshire without a state-level board-based income or sales taxes, had a much higher percentage of total state and local government revenue coming directly from the federal government (39%) than New Hampshire (27%). Property taxes accounted for about 11% of all state and local revenue, which was much lower than New Hampshire's 31%. Corporate income taxes in Alaska were also a smaller percentage of revenue (3%) than in New Hampshire. While there was no statewide general sales tax, local governments raised general sales tax revenue, which accounted for about 2% of total state and local government revenue in Alaska. Taxes on the extraction of natural resources, called severance taxes, have historically been a major driver of revenue in Alaska and several other states, although severance tax revenue has declined in importance in Alaska in recent years.⁴⁰

The states that have no sales tax at the state or local levels are Delaware, Montana, New Hampshire, and Oregon. Delaware raises about 15% of combined state and local government revenue through income taxes, while both Oregon and Montana raise about 17%. Property taxes account for smaller shares of total state and local revenue in Montana (16%), Oregon (12%), and Delaware (8%) than in New Hampshire, and the federal government also provides a greater percentage of state and local revenue in each of these states than in New Hampshire.

The states that have no broad-based income tax include Alaska, Florida, Nevada, New Hampshire, South Dakota, Tennessee, Texas, Washington, and Wyoming.⁴¹ Among these states, three had substantially higher percentages of total combined revenues from the federal government than New Hampshire: Nevada (29%), Wyoming (35%), and South Dakota (36%). General sales taxes accounted for about 9% of revenue in Wyoming, but ranged from 17% in Texas to about 23% in both Nevada and Washington. Property taxes accounted for about 19% of all state and local government revenue in Texas, and ranged from 9% (Tennessee) to 15% (Florida and South Dakota) in the other states. Revenue from corporate income taxes in these states accounted for between 0%, in the four states in this group with no corporate income tax, and 4%, in Tennessee, of all state and local government revenue.

For a full analysis of state and local revenue breakdowns, see the table in the Appendix of this report.

PROPERTY TAXES AND HOUSEHOLD INCOMES

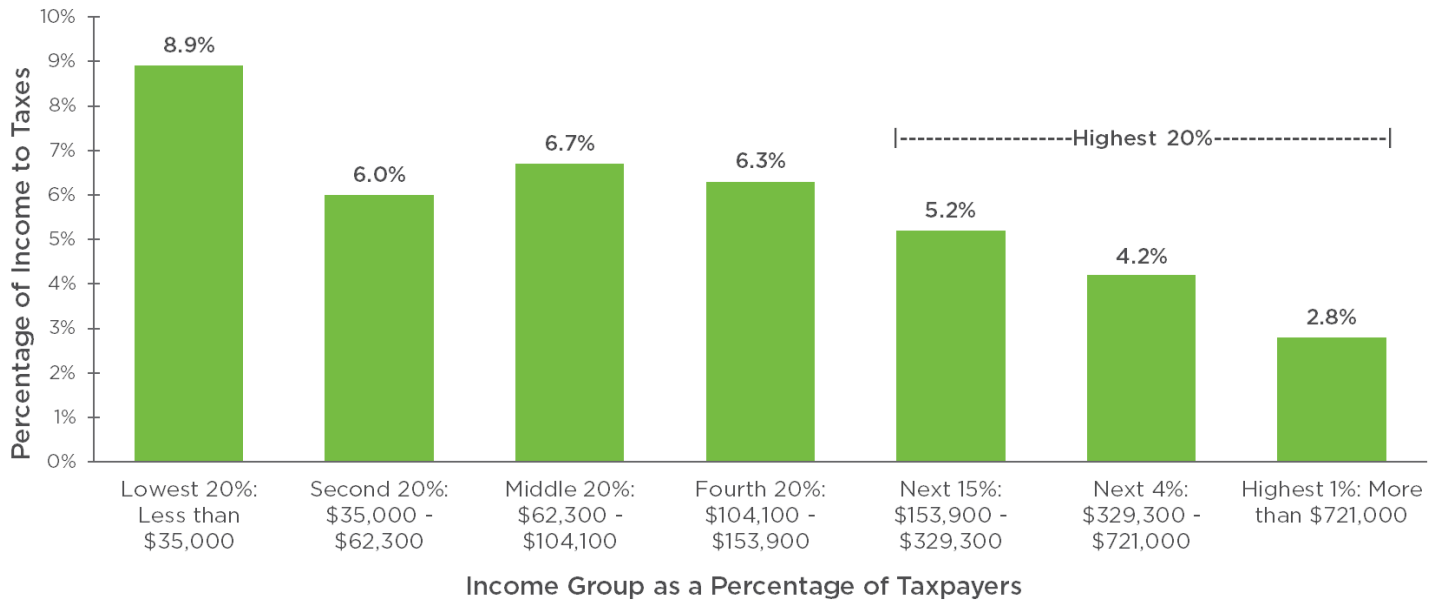
State and local taxes in New Hampshire require a greater percentage of income from people with lower or middle incomes than those with significantly higher incomes.⁴²

Modeling from the Institute on Taxation and Economic Policy indicated that New Hampshire individuals and families in the bottom 20% of income earners in 2023 had a combined effective state and local tax rate more than three times the rate for those at the top 1% of the income scale in New Hampshire. According to these analyses based on tax laws in effect during 2024, New Hampshire is one of 42 states that require more of the bottom 20% (family, or other tax unit, incomes of less than \$35,000 during 2023 in New Hampshire) than the top 1% (family incomes of more than \$721,000 in New Hampshire during 2023) as a percentage of income.⁴³

While the effective tax rate in New Hampshire was highest, at 8.9%, for residents with household incomes of less than \$35,000 per year in 2023 among people under 65 years old, the middle 20%, earning between \$62,300 and \$104,100, had the second-highest tax rate at 6.7%.

STATE AND LOCAL TAXES AS A SHARE OF NEW HAMPSHIRE FAMILY INCOME

Effective Tax Rate as a Share of Income by Income Group, 2024 Tax Laws Based on 2023 Income Levels*



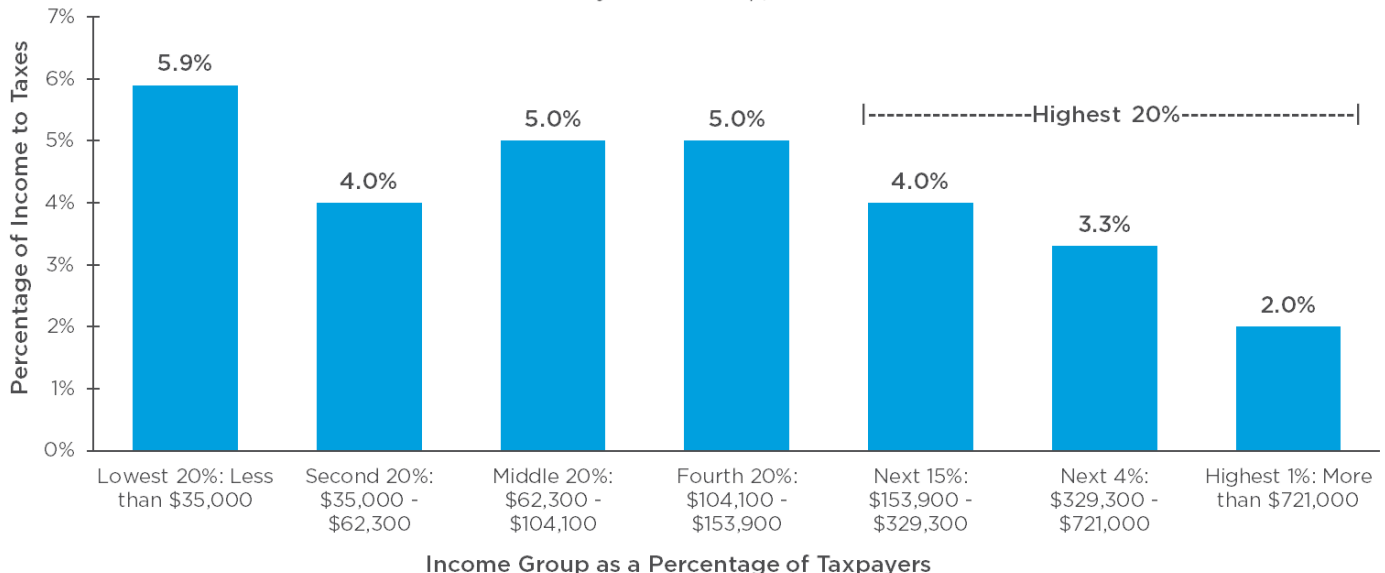
*Note: Does not include taxpayers who are age 65 and older or tax units with negative incomes. Dependent filers are included with claiming filer.
Source: Institute on Taxation and Economic Policy, *Who Pays?* Seventh Edition, January 2024

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That higher effective tax rate near the middle of the income spectrum was likely driven by property taxes. Excluding all other State and local taxes, property taxes in New Hampshire alone resulted in an effective tax rate of 5.0% for the 40% of taxpayers under 65 years old with incomes in the \$62,300 to \$153,900 range; this 5.0% rate from property taxes was only slightly lower than the 6.7% and 6.3% overall effective State and local tax rates for the two groups within that range, respectively. While the effective property tax rate was still highest for property taxes alone at the lowest end of the income scale, and the model includes tax pass-through costs for renters, middle- and upper-middle-income homeowners appear to be nearly as likely to have property taxes disproportionately impact their financial well-being.

NEW HAMPSHIRE STATE AND LOCAL PROPERTY TAXES AS A SHARE OF FAMILY INCOME

Effective Tax Rate as a Share of Income by Income Group, 2024 Tax Laws Based on 2023 Income Levels*



*Note: Does not include taxpayers who are age 65 and older or tax units with negative incomes. Dependent filers are included with claiming filer.
Source: Institute on Taxation and Economic Policy, *Who Pays?* Seventh Edition, January 2024

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Property taxes, and State and local taxes overall in New Hampshire, are likely to have the most significant impact on Granite Staters in poverty. Poverty rates are higher for Granite Staters who identify as Black, African American, Hispanic, Latino or Latina, or as of two or more races; poverty rates are also higher for individuals experiencing disabilities, for part-time workers, for communities in rural northern and western New Hampshire, and for families with single parents, particularly single women.⁴⁴

PROPERTY TAXES AND HOUSING COSTS

Property taxes typically increase the cost of housing. They raise the cost of owning a home through direct taxation, and rents increase when costs are passed through from homeowners to renters.

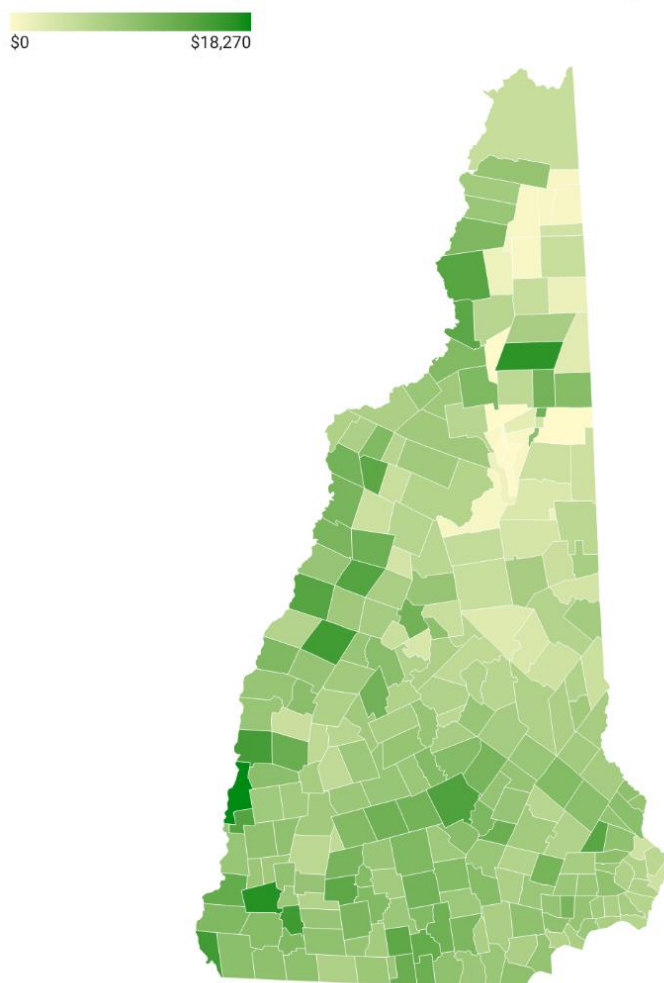
However, property taxes do not typically increase directly with assessments, and housing markets are subject to the willingness and ability of homebuyers and renters to pay within a market. Some evidence suggests that higher property taxes can lower relative initial home prices, as buyers factor property tax costs into their budgets, but this lower purchase price does not necessarily decrease the overall cost of housing. Property taxes have risen around the country by about 30% between 2019 and 2024, which is less than the increase in the median price of homes but still put upward pressure on housing costs.⁴⁵

Because of the relatively small tax bases used to raise revenue through property taxes in New Hampshire, property tax costs facing individual households and businesses differ considerably across communities. Property values also vary considerably, and higher property tax rates may be more common in communities with lower taxable property values as higher rates are needed to collect enough dollars to fund public services such as roads, bridges, law enforcement, and education.

A property assessed at \$500,000 could face very different amounts of property taxes owed depending on the community it is in, even between communities very close to each other. For context, the 2025 median single family house sale price in New Hampshire was \$535,000.⁴⁶ The owners of a \$500,000 house in Lee would pay \$13,805 in property taxes in 2025, but the same value house would pay \$6,600 in neighboring Nottingham. Owners of a \$500,000

New Hampshire Local Property Tax Rates and Effective Amounts for Different Value Houses

Based on 2025 Tax Rates, Scale Based on Tax for House Assessed at \$500,000



Note: Negative tax rates in unincorporated municipalities historically used, in part, to offset the Statewide Education Property Tax, a practice the New Hampshire Supreme Court recently ruled as against the law.

Map: New Hampshire Fiscal Policy Institute • Source: New Hampshire Department of Revenue Administration • Created with Datawrapper

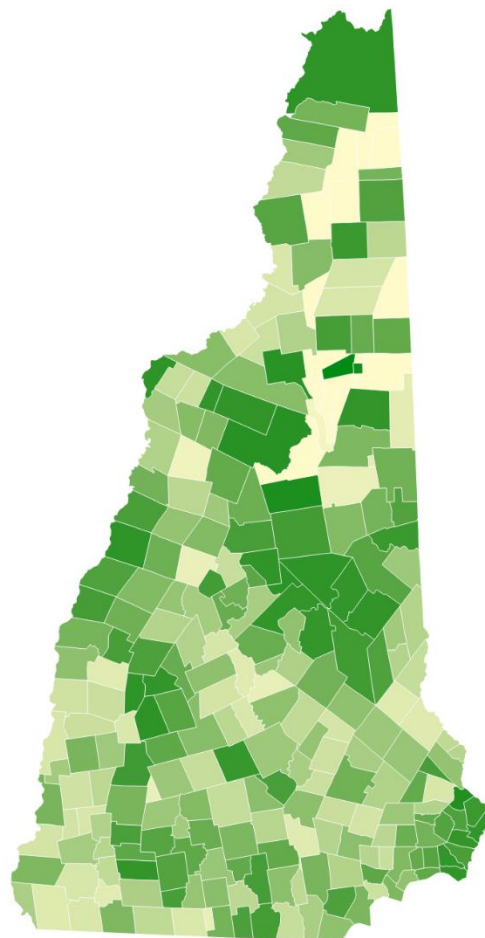
house in Acworth would pay \$8,030, while a same-valued house one town west, in Charlestown, would pay \$18,270. Regional variations are also significant, with a \$500,000 house in Moultonborough, which includes some Lake Winnepesaukee shoreline, generating \$2,665 in property taxes during the year, compared to \$10,120 in Manchester, the state's most populous city.

The number of dollars paid in property taxes per person in 2024 varies significantly across communities as well. These differences appear to reflect both property values and ability to pay. For example, communities with relatively high property values per person, such as near lakes, mountains, and the Seacoast are more likely to have higher amounts of dollars paid per resident. These higher levels may be a combination of more properties without permanent residents, such as second homes, and higher median household incomes in some of these municipalities.⁴⁷ However, some communities do not follow these patterns, such as Stratford, Hinsdale, Haverhill, and Tilton, which neither have relatively high incomes or a major natural amenity or attraction within their borders that would attract other commercial or recreational properties.

Property Taxes Per Capita by New Hampshire Municipality

Tax Year 2024 Property Tax Data, July 2024 Population Estimates

\$0 \$17,628

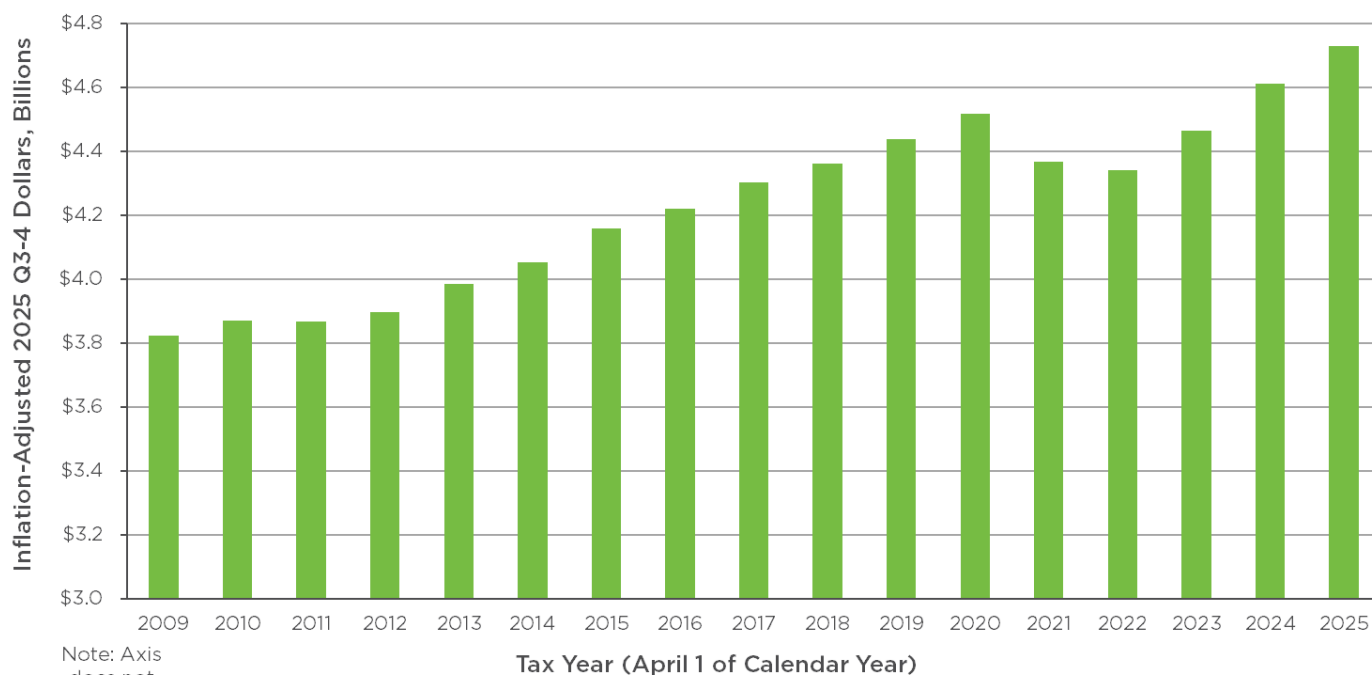


Map: New Hampshire Fiscal Policy Institute • Source: New Hampshire Department of Revenue Administration and U.S. Census Bureau Population Estimates Program • Created with Datawrapper

CONCLUDING DISCUSSIONS

Property taxes are critical to funding public services in New Hampshire. The design and structures of the revenue-raising methods in New Hampshire make funding for public services disproportionately reliant on local property taxes. That reliance results in upward pressure on property taxes whenever costs outpace revenues for local governments in New Hampshire. Those costs could be due to new investments to enhance public services or unexpected increases from rising external costs, such as equipment, contracts, employee health insurance plans, or overall inflation.⁴⁸ Some of these costs may impact local governments more directly than overall consumer inflation; for example, while local property taxes in New Hampshire increased 59% between 2009 and 2023, without any inflation adjustments, public employer cost distributions for family health insurance plans from state and local governments increased 73% during the same period.⁴⁹ Local governments in New Hampshire collect less revenue per capita than in 39 other states, suggesting county, city, town, and school district expenditures are not notably higher among Granite State local governments than elsewhere in the country.

NEW HAMPSHIRE TOTAL LOCAL PROPERTY TAX COMMITMENT BY TAX YEAR, INFLATION-ADJUSTED DOLLARS



Note: Axis does not begin at zero.

Note: Inflation-adjustment based on the second half of same numbered calendar year
Sources: New Hampshire Departments of Revenue Administration and Education;
U.S. Bureau of Labor Statistics Consumer Price Index-Urban, Northeast

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Local property taxes, in aggregate, have increased in every year faster than overall consumer inflation since 2009 except for three years: a pause in growth in 2011, and declines in 2021 and 2022, relative to inflation. Those recent consecutive declines, which have been succeeded by three years of faster growth, followed more one-time resources flowing from the State and, in particular, from the federal government to county, city, town, and school district budgets during and after the onset of the COVID-19 pandemic.⁵⁰

This reliance on local property taxes is a policy choice New Hampshire has repeatedly made, with some important exceptions, such as the increase in funding for local public education following State Supreme Court decisions in the 1990s.⁵¹ Even after accounting for these exceptions, most state governments provide more aid to local governments for the administration of public services, particularly on a per capita basis. Many other states provide more options for generating revenue to local governments as well.

New Hampshire's reliance on property taxes as currently structured has consequences for residents, particularly those with lower and moderate incomes and in communities with relatively low levels of property wealth compared to public service needs. Disproportionately using property tax revenues to fund services, and having a higher likelihood of those dollars remaining only at the local level relative to other states, may result in communities with less wealth facing persistent limitations on their abilities to invest in themselves and their people.

APPENDIX

REVENUE SOURCE BREAKDOWN BY STATE, FISCAL YEAR 2022								
State and Local Governments	Federal Funds	Property Tax	General Sales Tax	Selective Sales Tax	Individual Income Tax	Corporate Tax	Liquor Stores	Other Revenues
United States	26.5%	13.7%	11.8%	4.9%	12.7%	3.4%	0.3%	26.8%
Alabama	31.2%	5.5%	11.5%	5.8%	9.6%	2.3%	0.8%	33.4%
Alaska	39.3%	11.2%	1.8%	2.9%	0.0%	2.6%	0.1%	42.0%
Arizona	36.4%	10.4%	18.3%	2.9%	8.5%	1.3%	0.0%	22.2%
Arkansas	36.8%	7.1%	16.9%	5.1%	10.0%	2.2%	0.0%	21.8%
California	21.9%	11.3%	10.0%	3.6%	19.8%	6.2%	0.0%	27.2%
Colorado	22.1%	14.9%	13.1%	5.0%	14.1%	1.8%	0.0%	29.0%
Connecticut	22.7%	22.6%	9.7%	5.8%	18.3%	6.8%	0.0%	14.2%
Delaware	26.8%	7.6%	0.0%	4.3%	15.4%	3.3%	0.0%	42.7%
District	37.2%	14.5%	8.5%	2.1%	15.5%	4.9%	0.0%	17.2%
Florida	26.1%	15.3%	17.5%	5.5%	0.0%	1.6%	0.0%	34.0%
Georgia	23.4%	14.2%	12.5%	4.3%	16.3%	2.2%	0.0%	27.0%
Hawaii	22.5%	9.3%	19.1%	6.9%	15.2%	1.3%	0.0%	25.6%
Idaho	27.5%	10.1%	14.2%	3.7%	12.6%	5.1%	1.2%	25.7%
Illinois	26.7%	18.0%	9.9%	7.9%	12.4%	5.3%	0.0%	19.7%
Indiana	29.7%	10.1%	12.2%	5.5%	15.2%	1.8%	0.0%	25.5%
Iowa	24.4%	13.9%	10.5%	4.1%	11.0%	1.9%	0.9%	33.3%
Kansas	22.3%	13.4%	13.8%	3.8%	12.3%	2.2%	0.0%	32.2%
Kentucky	38.1%	8.0%	8.9%	6.0%	13.8%	2.5%	0.0%	22.7%
Louisiana	36.6%	8.0%	17.3%	5.5%	7.5%	1.7%	0.0%	23.3%
Maine	30.9%	19.4%	11.9%	4.4%	14.1%	2.3%	1.3%	15.6%
Maryland	28.1%	12.9%	7.4%	7.0%	21.9%	2.4%	0.4%	19.9%
Massachusetts	26.0%	18.1%	7.5%	3.1%	21.1%	4.0%	0.0%	20.1%
Michigan	30.7%	14.0%	10.0%	4.2%	11.1%	1.5%	1.3%	27.2%
Minnesota	25.7%	12.8%	9.0%	5.9%	17.7%	5.5%	0.4%	22.9%
Mississippi	34.2%	10.1%	13.3%	4.6%	7.1%	2.0%	1.4%	27.3%
Missouri	31.8%	12.3%	11.9%	3.8%	13.8%	1.3%	0.0%	25.1%
Montana	33.9%	15.7%	0.0%	6.5%	17.4%	2.1%	1.0%	23.3%
Nebraska	22.0%	14.7%	10.3%	2.4%	10.6%	2.3%	0.0%	37.7%
Nevada	28.7%	11.3%	23.0%	11.1%	0.0%	0.0%	0.0%	25.9%
New Hampshire	26.5%	30.5%	0.0%	6.2%	1.0%	7.8%	4.9%	23.1%
New Jersey	21.8%	23.9%	10.1%	4.0%	14.7%	6.2%	0.0%	19.2%
New Mexico	31.8%	5.5%	12.4%	2.4%	5.1%	1.2%	0.0%	41.5%
New York	26.6%	14.8%	8.6%	3.5%	19.9%	7.2%	0.0%	19.4%
North Carolina	28.0%	9.7%	12.0%	4.6%	13.7%	1.3%	1.0%	29.8%
North Dakota	19.3%	8.7%	9.4%	3.8%	3.2%	1.6%	0.0%	54.0%
Ohio	29.4%	12.8%	12.6%	5.9%	12.0%	0.3%	1.2%	25.8%
Oklahoma	31.7%	7.8%	13.3%	4.1%	8.6%	1.7%	0.0%	32.7%
Oregon	29.2%	11.7%	1.8%	5.1%	17.5%	2.5%	1.2%	31.1%
Pennsylvania	29.4%	13.0%	9.2%	6.7%	13.6%	3.4%	1.4%	23.4%
Rhode	34.6%	17.2%	9.3%	5.6%	12.0%	1.8%	0.0%	19.4%
South Carolina	27.0%	11.1%	9.3%	3.9%	10.0%	1.8%	0.0%	37.0%
South Dakota	35.8%	14.5%	18.7%	5.6%	0.0%	0.6%	0.2%	24.6%
Tennessee	25.6%	8.9%	19.8%	6.0%	0.0%	3.9%	0.0%	35.7%
Texas	25.7%	19.4%	17.1%	6.0%	0.0%	0.0%	0.0%	31.9%
Utah	21.8%	9.8%	13.3%	4.1%	14.6%	2.0%	1.1%	33.4%
Vermont	37.7%	18.3%	5.0%	7.6%	11.3%	2.1%	0.9%	17.0%
Virginia	21.0%	15.7%	7.9%	6.8%	17.6%	1.8%	1.0%	28.3%
Washington	23.5%	12.9%	23.2%	6.1%	0.0%	0.0%	0.0%	34.3%
West Virginia	37.4%	8.8%	7.9%	7.3%	11.2%	1.6%	0.6%	25.3%
Wisconsin	25.2%	15.6%	10.9%	4.4%	13.0%	4.2%	0.0%	26.6%
Wyoming	34.7%	11.0%	9.5%	2.2%	0.0%	0.0%	1.4%	41.3%
Table Notes: All data from the U.S. Census Bureau's Survey of State and Local Government Finances, and includes all state and local government revenues. New Hampshire data modified to eliminate double-counting of Statewide Education Property Tax. Oregon has no broad-based sales tax, but certain revenues are captured as general sales tax revenue. Severance taxes included in "Other Revenues." nhfpi.org								

¹ Data detailing property taxes statewide and by community is available from the New Hampshire Department of Revenue Administration webpage [Municipal and Village District Tax Rates and Other Data](#). Data from before 2021 previously requested and archived by NHFPI and are also available at [archive.org](#).

² The inflation measure used for this inflation adjustment and other inflation adjustments in this report is the U.S. Bureau of Labor Statistics [Consumer Price Index-Urban for the Northeastern United States](#). States incorporated into this index include Connecticut, Maine, Massachusetts, New Hampshire, New Jersey, New York, Pennsylvania, Rhode Island, and Vermont.

³ See the Tax Policy Center's Tax Policy Briefing Book chapter "[How do state and local property taxes work?](#)" updated January 2024.

⁴ See the [Nebraska Department of Motor Vehicles](#), [North Carolina General Statute 105-330.5](#), and the [Code of Virginia 46.2-752](#).

⁵ See the Tax Policy Center's TaxVox March 9, 2020 post [Critics Argue The Property Tax Is Unfair. Do They Have A Point?](#) and page 5 of [A Good Tax](#) by Joan Youngman.

⁶ To learn more, see Charles E. Clark's [The History of Taxation in New Hampshire](#) and the New Hampshire Municipal Association's [Municipal State Aid and Revenue Sharing History and Trends](#).

⁷ For more information, see [RSA 76:11-a](#) and [RSA 76](#) generally.

⁸ More information about the Statewide Education Property Tax is available in NHFPI's 2025 New Hampshire Policy Points chapter on [Funding Public Services](#) and NHFPI's May 2021 post [Statewide Education Property Tax Change Provides Less Targeted Relief](#).

⁹ Read more about the Utility Property Tax in NHFPI's May 2017 [Revenue in Review](#) publication, page 23.

¹⁰ For example, see the webpage from the Town of Derry, [How often and when will I be billed?](#)

¹¹ See NHFPI's August 18, 2025 post [Housing Prices Level Off in Much of New Hampshire, While Surge Continues in Grafton, Belknap, Carroll, and Cheshire Counties](#).

¹² See [RSA 75:8-a](#).

¹³ For more information on assessments and many other subjects related to property taxes in New Hampshire, see the New Hampshire Assessing Standards Board 2019 publication [Understanding NH Property Taxes: The Official New Hampshire Assessing Reference Manual](#).

¹⁴ For examples and characterizations, see the Tax Policy Center's TaxVox March 9, 2020 post [Critics Argue The Property Tax Is Unfair. Do They Have A Point?](#) and page 4 of [A Good Tax](#) by Joan Youngman.

¹⁵ See the Assessing Standards Board subcommittee report [An Overview of Property Income and Expense Information and its Impact on Property Assessments](#), page 6.

¹⁶ See the New Hampshire Department of Revenue Administration's [Assessment Review](#) webpage.

¹⁷ See [RSA 71-B](#).

¹⁸ See [RSA 21-J](#) for more details.

¹⁹ For further discussion, see the writing of former New Hampshire Municipal Association government finance advisor Barbara Reid in [Property Tax: Understanding the Math. Dispelling the Myths](#) from New Hampshire Town and City, March 2012.

²⁰ These data are based on published reports available from the New Hampshire Department of Revenue Administration [directly](#) and in [archived form](#).

²¹ See [RSA 79-A](#) and the 2019 University of New Hampshire Cooperative Extension [Overview of Current Use Assessment RSA 79-A](#).

²² See [RSA 72](#) and the box for more details.

²³ In the education funding context, [Equalized Valuation Per Pupil](#) provides a more direct link between service needs and available property tax base.

²⁴ This analysis used the New Hampshire Department of Revenue Administration's [Municipal and Village District Tax Rates](#) data, which is used throughout this Report for analysis of municipal-level property taxes, and the U.S. Census Bureau's [Population Estimates Program data](#) released May 2025 estimating July 1, 2024 populations for municipalities in the state; these population totals, and those from 2022, are also used elsewhere in this Report where population estimates are required for municipal-level analyses. For more information on the prevalence of seasonal, recreational, or occasional use housing units as the percentage of the total number of units in a community, see NHFPI's February 26, 2025 analysis [Multiple Affordable Housing Barriers Adversely Impact Communities, Adding Housing Expands Tax Base Beyond Key Costs](#).

²⁵ The U.S. Census Bureau's [Annual Survey of State and Local Government Finance website](#) hosts the data used in this analysis for [Fiscal Year 2022](#). These data represent both the most recent full census of governments and the most recent available data in summary, comparable form across all fifty states that could be conducted efficiently, as the [2023 Summary Report](#) has not been released at the time of this Report's publication. Surveys of local governments conducted by the U.S. Census Bureau on an annual basis may be unlikely to reach many small New Hampshire communities, as the Bureau targets larger communities, such as larger counties that comprise more of local government finances in other states, in its annual surveys. This analysis also removes apparent double-counting of the Statewide Education Property Tax as both a State tax revenue source and a local property tax revenue, and leaves it as a State grant in local revenues and removes it from both property taxes at the local level and total taxes raised at the combined State and local levels. These Fiscal Year 2022 data, with the adjustment for the Statewide Education Property Tax, are used throughout this section and in other parts of this Report.

²⁶ See NHFPI's January 30, 2026 presentation [State and Local Funding Structures for Public Services in New Hampshire](#).

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- ²⁷ For examples of other local government revenue, see the New Hampshire Municipal Association’s [Municipal State Aid and Revenue Sharing History and Trends](#), page 5.
- ²⁸ See The Hawaii State Department of Education, [About](#) webpage, accessed February 2026.
- ²⁹ See the Public Assets Institute’s September 11, 2025 analysis of the existing funding system on [The latest: Ed funding reform](#) webpage.
- ³⁰ See NHFPI’s January 2026 presentation [State and Local Funding Structures for Public Services in New Hampshire](#).
- ³¹ For more information on the historical reasons for this lack of reliance on property taxes in the southeastern United States, see the Institute on Taxation and Economic Policy’s June 2022 analysis [Creating Racially and Economically Equitable Tax Policy in the South](#).
- ³² Read more about “home rule” initiatives in New Hampshire, see the New Hampshire Municipal Association’s early 2019 article [NLC Report: Dillon’s Law versus Home Rule](#).
- ³³ Learn more about these taxes on the New Hampshire Department of Revenue Administration’s webpages for the [Excavation \(Gravel\) Tax](#) and the [Timber Tax](#).
- ³⁴ Read more about the Business Profits Tax and the Business Enterprise Tax in NHFPI’s August 2023 analysis [State Business Tax Rate Reductions Led to Between \\$496 Million and \\$729 Million Less for Public Services](#).
- ³⁵ For more information about the Interest and Dividends Tax repeal, see the [information NHFPI submitted](#) to the Ways and Means Committee of the New Hampshire House of Representatives on January 16, 2024.
- ³⁶ See the Council on State Taxation, the State Tax Research Institute, and Ernst & Young LLP December 2025 publication [Total state and local business taxes, State-by-state estimates for FY24](#).
- ³⁷ See NHFPI’s August 2018 Issue Brief [Measuring New Hampshire’s Municipalities: Economic Disparities and Fiscal Capacities](#) and NHFPI’s July 2020 presentation [Examining Local Economic Conditions and Fiscal Capacities](#).
- ³⁸ See the Tax Foundation’s March 11, 2020 analysis [How Much Does Your State Collect in Property Taxes per Capita?](#)
- ³⁹ See the Tax Foundation’s January 2026 post [State and Local Sales Tax Rates, 2026](#) and the February 2026 post [State Individual Income Tax Rates and Brackets, 2026](#). Only statewide sales taxes are included in the count of states with sales taxes. Washington State has an income tax only on capital gains taxes for high income taxpayers, and is not counted here as having a broad-based income tax.
- ⁴⁰ For more information, see the Tax Policy Center’s Briefing Book section [How do state and local severance taxes work?](#) updated January 2024.
- ⁴¹ Tennessee eliminated its tax on interest and dividends income, although a small amount was collected in fiscal year 2022 and impacts these percentages. Washington State has a tax on capital gains for high-income residents, which is not a broad-based income tax. See the Tax Foundation’s January 2026 analysis [State Individual Income Tax Rates and Brackets, 2026](#).
- ⁴² For more analysis of these modeled data, see NHFPI’s January 2024 post [Granite Staters with Lowest Incomes Have Highest Effective State and Local Tax Rate](#).
- ⁴³ For details on New Hampshire’s tax revenue source by impacts on different parts of the income distribution, see the Institute on Taxation and Economic Policy’s [Who Pays? 7th Edition](#).
- ⁴⁴ See NHFPI’s March 2025 Issue Brief [Who is Experiencing Poverty in the Granite State?](#) and NHFPI’s February 2026 post [New Census Data Reveal Gaps in Income, Poverty, and Housing Affordability in New Hampshire](#).
- ⁴⁵ For more discussion of property taxes and housing costs, see the Institute on Taxation and Economic Policy’s March 2025 brief [Housing Affordability and Property Taxes: How to Actually Move the Needle](#), the Center on Budget and Policy Priorities July 2024 report [Taxing Very High-Value Home Sales Is an Equitable and Effective Strategy to Raise Revenue and Fund Affordable Housing](#), the Tax Policy Center’s September 2025 TaxVox post [Mend, Don’t End the Property Tax](#), the Federal Reserve Bank of Minneapolis’s November 2024 analysis [How higher property taxes increase home affordability](#), the Joint Center for Housing Studies of Harvard University’s 2024 report [The State of the Nation’s Housing](#), and the Tax Foundation’s [Property Tax Relief & Reform webpage](#).
- ⁴⁶ For sales price data, see the New Hampshire Association of Realtors [NH Monthly Indicators for December 2025](#).
- ⁴⁷ For additional insights into household incomes between communities, see NHFPI’s February 20, 2026 post [Most Communities with Household Incomes Higher than State Median are in Southeast](#).
- ⁴⁸ For more on health insurance costs, see NHFPI’s October 2025 report [Affordability Eroded: Changes to the Cost of Living in New Hampshire](#).
- ⁴⁹ To see more detailed health insurance cost data, see the U.S. Department of Health and Human Services [Medical Expenditure Panel Survey-Insurance Component](#) data, downloaded February 2026.
- ⁵⁰ For examples, see NHFPI’s July 2022 post [Local Governments Nearing Deadline to Obligate Federal Funds with Millions of Dollars at Risk](#), NHFPI’s May 2024 post [State Officials Face Reappropriation Decisions as Significant Flexible Federal Funds Require Action to Avoid Recoupment](#), NHFPI’s December 2022 presentation [Federal Pandemic-Related Funding in New Hampshire: Impacts, Opportunities, and Benefits](#), and NHFPI’s March 2021 blog [Federal American Rescue Plan Act Directs Aid to Lower-Income Children, Unemployed Workers, and Public Services](#). For State Budget changes, see NHFPI’s August 2021 Issue Brief [The State Budget for Fiscal Years 2022 and 2023](#) and December 2019 Issue Brief [The State Budget for Fiscal Years 2020 and 2021](#).
- ⁵¹ For more context on the increase in funding resulting from the 1990s State Supreme Court decisions, see NHFPI’s February 2025 column [Policy Forum: Challenges Ahead in the Next State Budget Cycle](#), Reaching Higher New Hampshire’s March 2019 resource [How the courts have shaped education funding, and what comes next](#), and the 2000 report of the State’s [Commission to Analyze the Economic Impacts of Various School Funding Revenue Options](#).