

School Property Tax Bill Comparisons Demonstrate Inequities in Current Funding System

For decades, New Hampshire has relied overwhelmingly on local property taxes to fund public schools. In fact, in 2019, over 70 cents of every dollar raised for public schools came from local property taxes, the largest share in the country.

This approach has more than a few shortcomings, but none is more glaring than the inequities it forces local property taxpayers to endure. Given the unequal distribution of property wealth across New Hampshire, this approach means that communities with relatively high property values can produce the funds needed to educate local schoolchildren with very low tax rates. In contrast, communities with comparatively low property values must impose substantially higher rates, often while yielding lower levels of resources for their public schools.

As a result, as the three comparisons included here demonstrate, expensive homes in affluent areas can end up with property tax bills that are almost identical to – or even less than – those for more affordable homes in working-class towns.



New Castle

Beautifully updated colonial [features] four bedrooms, two baths, 1951 square feet, private yard, and two car garage

2020 market price: \$1 million
2020 assessed value: \$603,700

2020 school property tax: **\$1,727**



Manchester

Great 2 bedroom Ranch with some hardwood floors, detached garage, new heating system

2021 market price: \$240,000
2020 assessed value: \$148,100

2020 school property tax: **\$1,761**

Outcomes like these are as indefensible as they are inequitable. A family in one part of New Hampshire should not be expected to pay the same amount in school property taxes as a family elsewhere in the state, ***if their homes are hundreds of thousands of dollars apart in value.*** Outcomes like these are particularly egregious since they arise from the failure of the State of New Hampshire to fulfill its responsibility to provide an adequate education for every child, regardless of where they may live. Yet, outcomes like these could largely be eliminated if the State of New Hampshire were to generate the funds needed to meet its educational obligations through a source of revenue that had a single, uniform rate that was the same for everyone, whether they lived in New Castle or Manchester or in Waterville Valley or Nashua.



Waterville Valley

Beautiful landscaping...layout is perfect for entertaining...gorgeous master suite with a completely renovated master bathroom

2020 market price: \$590,000
2020 assessed value: \$433,600

2020 school property tax: **\$1,522**



Nashua

Three bedroom ranch style home on a quiet street...Completely new roof...new hot water heater & updated full bath

2021 market price: \$189,000
2020 assessed value: \$124,200

2020 school property tax: **\$1,534**



New London

mid 1800's Victorian...5 bedrooms, 2 full baths, and 2 half baths with ample room for everyone

2020 market price: \$560,000
2020 assessed value: \$426,800

2020 school property tax: **\$3,449**



New Boston

2 bedroom, 1 bath contemporary... sun room with lots of windows, skylight, vaulted ceilings and wood stove

2020 market price: \$305,000
2020 assessed value: \$207,300

2020 school property tax: **\$3,640**