

Assessing Clerk: Jessi O'Blenes

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Intents to Excavate are available at the Town Hall

<https://www.revenue.nh.gov/mun-prop/property/gravel.htm> NH DRA web site for more details

Excavation Tax in NH

The State of New Hampshire has a real estate tax and earth (sand, gravel, loam, stone, etc) is considered to be part of the real estate, therefore taxable. Due to the difficulty of determining the market value of the earth products, and to deter the premature removal of earth products to avoid taxation, the legislature exempted earth from the real estate tax in 1998 and created the Excavation Tax under RSA 72-B. Earth, as defined in RSA 155-E:1, I, is only taxed at the time it is excavated at a rate of \$.02 (two cents) per cubic yard. The Excavation Tax is paid to the municipality in which the excavation took place.

In order for the municipal assessing officials to be aware of the excavation operation they must be notified of the excavation by the owner by filing a notice of intent to excavate. The notice of intent to excavate is required by law and notifies both the assessing officials and the NH Department of Revenue (DRA). Every owner who intends to excavate earth must file a notice of intent to excavate and the \$100.00 administration and enforcement fee. The only exceptions are as follows:

- 1. Excavated earth that is put back on the parcel, or other contiguous parcel in common ownership, in the construction, reclamation, reconstruction or alteration of such parcel of land within the same tax year. (RSA 72-B:1 I (a))
- 2. Excavated earth that is used exclusively by the owner for agricultural or forest management on their land. (RSA 72-B:1 I (b))
- 3. Excavations not exceeding 1000 cubic yards must file a notice of intent to excavate but are exempt from the \$100.00 filing fee and the \$.02 per cubic yard excavation tax. (RSA 72-B:1 I(c))
- 4. Excavation that is exclusively incidental to construction projects that does not remove more than 1000 cubic yards from the parcel. (RSA 72-B:1 I (d))
- 5. Excavation by government agencies, cities, towns, school districts, that remove earth for their own use on lands under their ownership and jurisdiction. (RSA 72-B:1 I (e))

Before any excavation can take place, a separate notice of intent to excavate must be fully completed by the owner for each parcel of land on which excavation will take place, each intent must be accompanied with an administration and enforcement fee (if applicable) and, the intent to excavate must be signed by the assessing officials. The original volume estimate cannot be exceeded without filing a supplemental notice of intent to excavate for the additional volumes (RSA 72-B:8-a). The notice of intent to excavate form is available at the municipality or from DRA.