**Letter to the Editor, Seacoastonline January 1, 2025**

**A call for real solutions to NH's property tax and housing challenges**

Dec. 27 − To the Editor:

I agree with many of the critiques of New Hampshire’s property tax system made in Portsmouth city councilors [Andrew Bagley and Kate Cook’s recent op-ed](https://www.seacoastonline.com/story/opinion/columns/guest/2024/12/15/bagley-cook-portsmouth-homeowners-taxes/76943092007/), especially in light of the housing affordability crisis. That said, I would have preferred to see real solutions offered at both the local and state level as opposed to passing the buck to residents to tell their state representatives their concerns. We live here; we get it. I also found accurate statements about local tax law constraints hampered by oversimplifications.

For one, the proposed solution to exempt a portion of a homeowner’s primary residence from taxation (e.g., the first 10%) could alleviate some of the burden on homeowners. Property tax exemptions, however, also reduce overall revenue for essential city services. Portsmouth would need to make up for lost revenue by cutting services (e.g., public safety, infrastructure) or increasing other tax categories. The state might also have to step in to offset lost revenue, which would strain the state’s already tight budget.

Further, rent increases are not always tied to property tax hikes. While it is a reasonable assumption that property owners may pass along higher property taxes to renters, this is less likely in a highly competitive rental market like Portsmouth (or “overheated,” as Bagley and Cook call it). Additionally, it is not universally true that commercial properties are seeing reductions in their tax bills due to slower growth in their assessed values. It is possible that not all commercial property owners will see reductions, especially if they are experiencing rising rents themselves. Policies to increase affordable housing supply, such as incentivizing development through tax credits or zoning changes, could eventually stabilize property values. Rather than slowing development through committees like the one overseeing the Sherburne Property Project, the city may want to focus its efforts on streamlining residential property development. City officials have told me they prefer to keep housing policies local, but more state intervention may be warranted to address this growing concern.

Despite some accurate general points, these claims would have been more compelling with specific data, especially around the effects on rental markets, commercial property taxes, and potential solutions at all levels of government. Both our state delegation and our City Council have roles to play, and cooperative approaches are needed to implement targeted and immediate actions.

**Rep. Jennifer Mandelbaum**

Rockingham 21 (Portsmouth/Newington)