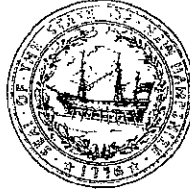


**ATTORNEY GENERAL
DEPARTMENT OF JUSTICE**

33 CAPITOL STREET
CONCORD, NEW HAMPSHIRE 03301-6397

MICHAEL A. DELANEY
ATTORNEY GENERAL



ORVILLE B. "BUD" FITCH II
DEPUTY ATTORNEY GENERAL

July 1, 2010

Mr. Thomas Mullin
City Assessor
City of Rochester
19 Wakefield Street
Rochester, N.H. 03667

Re: Skyhaven Airport

Dear Mr. Mullin:

The Pease Development Authority ("the PDA") has forwarded to me your letter dated April 27, 2010, regarding the taxation of airport hangars at the Skyhaven Airport in Rochester. Specifically, you have stated your intention to tax individuals/entities that lease hangar space at the airport.

As you know, Skyhaven Airport is owned and operated by the PDA. As part of the PDA operation of the airport, the State Legislature has charged the PDA with managing the State-owned hangars. The airport was transferred from the New Hampshire Department of Transportation to the PDA in 2009. At the time of the transfer, the New Hampshire Legislature adopted RSA 12-G:14, VI. This provision states that:

Notwithstanding any other provision of law, all property formerly held by the department of transportation and transferred to the authority, or acquired by the authority pursuant to this chapter, is declared to be public property and shall be exempt from all taxes and special assessments of the state or any political subdivision thereof.

The clear statutory language enacted by the Legislature provides that regardless of any other provision of law (i.e. RSA 72:23) the property at Skyhaven Airport is exempt for all taxes or special assessments of the State or any political subdivision thereof, which, therefore, includes the City of Rochester. In fact, within other sections RSA 12-G:14 the Legislature has included specific language concerning how taxes are to be assessed/paid at other PDA property, such as the port and the old air force base. The absence of such language concerning Skyhaven Airport is further evidence of the Legislature's intent that the property not be subject to such taxes/payments.

In closing, it is the State's position that consistent with the language of RSA 12-G:14, VI, property at the Skyhaven Airport is not subject to municipal taxation. Should you wish to discuss this further, feel free to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read "Anthony I. Blenkinsop", is written over the word "COPY" which is printed in large, bold, capital letters. The signature is fluid and cursive, with the word "COPY" partially obscured by the ink.

Anthony I. Blenkinsop
Senior Assistant Attorney General

Cc: Lynn Hinchee, General Counsel, PDA
Danford J. Wensley, Esq.