

**New Hampshire Department of Revenue Administration
109 Pleasant Street, Concord, NH 03301**

**TECHNICAL INFORMATION RELEASE
TIR 2015-003 Date September 4, 2015**

A Technical Information Release is designed to provide immediate information regarding tax laws administered by the Department or the policy positions of the Department as a service to taxpayers and practitioners. A Technical Information Release represents the position of the Department on the limited issues discussed herein based on current law and Department interpretation. For the current status of any tax law, practitioners and taxpayers should consult the source documents (i.e., Revised Statutes Annotated, Rules, Case Law, Session Laws, etc.). Questions should be directed to Central Tax Services at (603) 230-5920.

New Hampshire 2015 Legislative Session in Review

The purpose of this Technical Information Release (TIR) is to provide taxpayers and tax practitioners with a convenient reference guide of relevant statutory changes made during the 2015 Legislative Session by the New Hampshire General Court impacting various taxes administered by the New Hampshire Department of Revenue Administration (DRA). This TIR is for informational purposes only and is intended to provide a summary or synopsis of enacted legislation. It is not intended to be relied upon as full and complete text or as a substitute for the actual state law. Please refer to the applicable statute and rules to determine how this information applies to specific persons or situations.

BUSINESS TAX:

Senate Bill 211 (Chapter 216, Laws of 2015) amends RSA 77-E to allow an employee leasing company and client company to elect to make the client company solely responsible for paying business enterprise taxes with respect to leased employees. If an election is not made, the employee leasing company is responsible for paying business enterprise taxes with respect to leased employees.

Effective: July 1, 2015 and applicable to taxable periods beginning on or after January 1, 2016
Amends: RSA 77-E and RSA 277-B

House Bill 187 (Chapter 183:2, Laws of 2015) amends RSA 77-E:5, I to clarify that for tax years beginning January 1, 2015, the Commissioner shall biennially adjust the Business Enterprise Tax (BET) filing threshold amounts rounding to the nearest \$1,000 based on the 2-year (24-month) percentage change in the Consumer Price Index for All Urban Consumers, Northeast Region as published by the Bureau of Labor Statistics, United States Department of Labor using the amount published for the month of June in the year prior to the start of the tax year.

Effective: August 28, 2015
Amends: RSA 77-E:5, I

House Bill 599 (Chapter 265, Laws of 2015) alters the definition of “economic revitalization zone,” thereby eliminating consideration of population decrease and median household income as qualifying characteristics. Designated economic revitalization zones are required to be evaluated every 5 years to determine continued qualification for the designation. The bill specifies that only full-time jobs will be considered when calculating the economic revitalization zone tax credit.

Effective: Section 7 effective July 1, 2020; remainder effective July 1, 2015

Amends: RSA 162-N

MEALS AND ROOMS TAX:

Senate Bill 213 (Chapter 181, Laws of 2015) establishes a committee to study the formula for distributing meals and rooms tax revenues to cities and towns and the possible establishment of a local hotel occupancy surcharge.

Effective: June 26, 2015

REAL ESTATE TRANSFER TAX:

Senate Bill 232 (Chapter 255, Laws of 2015) amends RSA 78-B to exempt any lease, including any sale, transfer, or assignment of any interest in leased property, from the Real Estate Transfer Tax (RETT) when the term of the lease is for less than 99 years, including all renewals.

Effective: July 1, 2015

Amends: 78-B:1-a and RSA 78-B:2

House Bill 180 (Chapter 133, Laws of 2015) clarifies that the definition of “price or consideration” under the RETT applies only to contractual transfers and amends RSA 78-B:2 to clarify that transfers by devise or other testamentary disposition, regardless of any consideration paid or obligation assumed by the transferee, are excepted from the RETT.

Effective: July 1, 2015

Amends: RSA 78-B:1-a, IV and RSA 78-B:2, XI

MUNICIPAL AND PROPERTY:

Senate Bill 30 (Chapter 47, Laws of 2015) amends RSA 162-A to permit the establishment of redevelopment districts in unincorporated places.

Effective: May 21, 2015

Amends: RSA 162-A:22 and RSA 162-I

Senate Bill 54 (Chapter 29, Laws of 2015) amends RSA 126-X:8 to provide that when the property of an alternative treatment center is exempt from the ad valorem property tax pursuant to RSA 72:23, the alternative treatment center shall make payments in lieu of property taxes to the municipality in which it is located in the amount that would have been assessed had the property owner not been entitled to the exemption.

Effective: April 1, 2015

Amends: RSA 126-X:8

Senate Bill 242 (Chapter 182, Laws of 2015) establishes a committee to study methods of adopting a budget in towns that have adopted official ballot voting.

Effective: June 26, 2015

House Bill 102 (Chapter 129, Laws of 2015) amends RSA 40:11 to require all towns to act upon every article included in a warrant before final adjournment of the town meeting. Previously, only towns with 10,000 or more inhabitants had to comply with this requirement.

Effective: August 11, 2015

Amends: RSA 40:11

House Bill 107 (Chapter 4, Laws of 2015) amends RSA 33-A:3-a to alter the retention period for municipal trust fund bank statements from permanent retention to a six (6) year retention period. Trust fund minutes and quarterly reports continue to be retained permanently.

Effective: July 4, 2015

Amends: RSA 33-A:3-a

House Bill 108 (Chapter 49, Laws of 2015) amends RSA 91-A:3, III to require that a vote to seal nonpublic session minutes be taken in public session.

Effective: January 1, 2016

Amends: RSA 91-A:3, III

House Bill 147 (Chapter 57, Laws of 2015) amends RSA 480:1 to increase the homestead exemption from \$100,000 to \$120,000.

Effective: January 1, 2016

Amends: RSA 480:1

House Bill 193 (Chapter 83, Laws of 2015) amends RSA 52:3-a to preclude a city or town from assessing any fee or tax from a utility for the utility's use of roads maintained by a village district under RSA 52:1, I(m), except upon the vote of the village district commissioners.

Effective: August 4, 2015

Amends: RSA 52:3-a

House Bill 344 (Chapter 167, Laws of 2015) amends RSA 162-K:9, IV to provide that where a tax increment financing plan calls for the appropriation of a specific sum of money, the sum of money appropriated may be increased or decreased by vote of the legislative body, provided that no increase shall be valid if it violates the provisions of RSA 32:18 regarding appropriation limitations.

Effective: August 25, 2015

Amends: RSA 162-K:9, IV

House Bill 486 (Chapter 240, Laws of 2015) enacts RSA 52-A to authorize cities and towns to establish special assessment districts to levy and collect special assessments to fund public facilities and services that benefit the property upon which the special assessment is imposed.

Effective: Sections 1-2 effective September 11, 2015; remainder effective July 13, 2015

Enacts: RSA 52-A

House Bill 662 (Chapter 266, Laws of 2015) enacts RSA 79-H to allow a city or town to adopt a local property tax exemption for property rented or leased to a chartered public school by an owner who is not otherwise exempt from property tax.

Effective: July 20, 2015

Enacts: RSA 79-H

RSA CHAPTER 21-J ADMINISTRATIVE:

House Bill 187 (Chapter 183:1, Laws of 2015) amends RSA 21-J:14 to allow disclosure of taxpayer information to the liquor commissioner for purposes of administering RSA 78:26.

Effective: August 28, 2015

Amends: RSA 21-J:14, V(d)

MISCELLANEOUS ADMINISTRATIVE:

Senate Bill 192 (Chapter 254, Laws of 2015) amends RSA 21-J to permit the Department of Revenue Administration to require a background investigation and a state or federal criminal history record check on any candidate for employment prior to making a final offer of employment and establishes the position of Tax Policy Analyst within the Department.

Effective: September 11, 2015

Amends: RSA 21-J:3, XVII; RSA 21-J; RSA 94:1-a, I(b)

Individuals who need auxiliary aids for effective communication in programs and services of the Department of Revenue Administration are invited to make their needs and preferences known to the N.H. Department of Revenue Administration, 109 Pleasant Street, Concord, NH 03301 or by contacting them at (603) 230-5000.