

# Tax Expenditure and Potential Liability Report

(Pursuant to RSA 71-C)

Fiscal Year 2015

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Prepared By

New Hampshire Department of  
Revenue Administration

December 15, 2015

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*For*  
*The New Hampshire General Court*  
*- and -*  
*Her Excellency, Governor Margaret Hassan*  
*Governor of New Hampshire*

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Department of Revenue Administration  
FY 2015 Tax Expenditure and Potential Liability Report  
As required by RSA 71-C



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## TAX EXPENDITURE AND POTENTIAL LIABILITY REPORT

### I. INTRODUCTION

The Legislature “expends” funds in two ways: 1) through actual appropriations (expenditures); and 2) by foregoing the collection of taxes that it has the statutory authority to collect. The New Hampshire Supreme Court has characterized tax expenditures as follows: “. . . *all exemptions from taxation are practically equivalent to a direct appropriation.*” Canaan v. District, 74 N.H. 517, 537 (1908).

In 2014, the New Hampshire Legislature passed, and Governor Hassan signed, Chapter 28, Laws of 2014 (HB 1531) repealing RSA 77-A:5-a, relative to the “Tax Expenditure Report” previously published by the Department of Revenue Administration on February 1 of every calendar year, and creating a new chapter, RSA 71-C, entitled “Tax Expenditure and Potential Liability Reports.”

Pursuant to RSA 71-C, on or before December 15 of every fiscal year, the Commissioner of the Department shall certify to the General Court and the Governor a “Tax Expenditure and Potential Liability Report,” that analyzes each of the past fiscal year’s tax expenditures and other credits allowed under RSA 77, RSA 77-A, RSA 77-E, RSA 77-G, RSA 78, RSA 78-A, 78-B, RSA 82-A, RSA 83-E, RSA 84-A, RSA 84-C, and RSA 400-A.

The new statute, RSA 71-C:1, defines “tax expenditure” to mean:

a credit or exemption that is intended by the legislature to allow individuals or businesses to reduce the amount owed for state taxes in return for a change in behavior. A tax expenditure does not include a credit or exemption meant only to avoid double taxation of the same income or assets within the same taxing jurisdiction. A tax rate reduced for the express purpose of achieving a change in behavior may also be identified by the committee in RSA 71-C:3 as a tax expenditure for the purpose of regular review.

RSA 71-C:2 more specifically provides that tax expenditures include, but are not limited to, the Community Development Finance Authority Investment tax credit as computed in RSA 162-L:10; the Economic Revitalization Zone tax credit as computed in RSA 162-N:6; the Research and Development tax credit under RSA 77-A:5, XIII; the Coos County Job Creation tax credit under RSA 77-E:3-c; the Education Tax Credit as computed in RSA 77-G:4; and the Weighted Apportionment Factors under RSA 77-A:3, II(a).

RSA 71-C also created a Joint Committee on Tax Expenditures that shall:



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- Determine which credits, exemptions, and reduced rates meet the definition of a tax expenditure;
- Recommend legislation to add any additional tax expenditures to RSA 71-C:2;
- Establish a rotating schedule for review of all qualifying tax expenditures over 5-year periods;
- Determine the goals of each tax expenditure; and
- Establish general criteria for the future evaluation of each such tax expenditure to review and determine which credits, exemptions, and reduced rates meet the definition of a tax expenditure.

For purposes of this first, new, "Tax Expenditure and Potential Liability Report," the Joint Committee agreed the content of this report would remain materially the same as the previous Tax Expenditure Reports (RSA 77-A:5-a), except that the data shall be reported on a fiscal year basis instead of the previous calendar year reporting. As such, this report is based on tax returns filed in Fiscal Year (FY) 2015.

This FY 2015 Tax Expenditure and Potential Liability Report is a compilation of data contained within the Department's Tax Information Management System (TIMS), a computer system in operation since January 1, 1991. The numbers have been rounded to the nearest thousand dollars to enhance visual clarity. The information presented is not a statistical sample; but, rather, a summary of the information reported on returns filed within the period. This report provides the most current and complete information and, thus, gives some insight into the next fiscal year.

The purpose of this report is not to single out any group of taxpayers, nor to comment on the correctness or appropriateness of any credit; but, rather, to provide decision makers with the verifiable facts as to the "cost" of the various credits and exemptions. I encourage readers of this report to provide comments and suggestions for future reports.

**John T. Beardmore, Commissioner**

**NH Department of Revenue Administration**



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## II. DEFINITION OF TERMS

The following terms used in this report have the meaning ascribed below:

- A. Business profits tax liability or tax liability means the amount of tax shown to be due prior to the application of any payments or credits.
- B. Statutory credit limits are:
  - 1. RSA 77-A:5 limits the sum of all credits to the amount of the business profits tax liability, before the application of any credit; and
  - 2. Credits and other expenditures not used expire unless specifically allowed to be carried forward. Credits and expenditures that do not expire are noted in the report.
- C. Department means the NH Department of Revenue Administration.
- D. Tax returns filed with the Department in FY 2015 means all tax returns filed with the Department from July 1, 2014 through June 30, 2015 without regard to the tax period for which the returns were filed. Amended returns and audit adjustments are not included in this report unless the original return was filed in FY 2015.



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### III. GENERAL INFORMATION

This report includes six Business Profits Tax (BPT) and/or Business Enterprise Tax (BET) credits, provided under RSA 77-A and 77-E:

1. Insurance Tax (RSA 400-A);
2. Investment Tax Credit - New Hampshire Community Development Finance Authority (RSA 162-L:10);
3. Economic Revitalization Zone Tax Credit (RSA 162-N:7), formerly the Community Reinvestment and Opportunity Zones Credit;
4. Research and Development Tax Credit (RSA 77-A:5, XIII);
5. Coos County Job Creation Tax Credit (RSA 162-Q); and
6. Education Tax Credit (RSA 77-G).

This report also includes information from additional areas:

1. Weighting of the Sales Apportionment Factor (RSA 77-A:3, III(a));
2. Net Operating Losses (RSA 77-A:4,XIII);
3. Business Enterprise Tax Credit (RSA 77-A:5, X); and
4. Credit Carryovers From Overpaid Business Taxes.



#### IV. OVERVIEW OF TAX EXPENDITURES AND AMOUNTS

The following table gives a general view of the BPT and/or BET tax expenditures and amounts as reported on tax returns filed during FY 2015:

| Type of Tax Credit                                                                                                      | Amount of Credit Used |
|-------------------------------------------------------------------------------------------------------------------------|-----------------------|
| Insurance Taxes (RSA 400-A)                                                                                             | \$34,278,000          |
| Community Development Finance Authority Investment Tax Credit (RSA 162-L:10)                                            | \$3,687,000           |
| Economic Revitalization Zone Tax Credit (RSA 162-N:7), formerly Community Reinvestment and Opportunity Zones Tax Credit | \$806,000             |
| Research and Development Tax Credit (RSA 77-A:5, XIII)                                                                  | \$1,892,000           |
| Coos County Job Creation Tax Credit (RSA 162-Q)                                                                         | \$96,000              |
| Education Tax Credit (RSA 77-G)                                                                                         | \$115,000             |
| <b>Total Amount of Tax Credit Used</b>                                                                                  | <b>\$40,874,000</b>   |

The following table gives a general view of the additional areas and amounts (revenue loss or amount claimed) as reported on tax returns filed during FY 2015:

| Additional Areas                                                | Revenue Loss/Amount Claimed |
|-----------------------------------------------------------------|-----------------------------|
| Weighting of the Sales Apportionment Factor (RSA 77-A:3,III(a)) | \$698,000                   |
| Net Operating Loss Deductions Claimed (RSA 77-A:4,XIII)         | \$21,111,000                |
| Business Enterprise Tax Credits Claimed (RSA 77-A:5, X)         | \$124,870,000               |
| Credit Carryovers Requested – Business Taxes                    | \$156,315,000               |



**V. REPORT OF TAX CREDIT UTILIZATION**

**1. Insurance Premium Tax (RSA 400-A):**

**Description:** The Insurance Premium Tax is a tax assessed on insurance companies that do business in New Hampshire as provided in RSA 400-A. The Insurance Premium Tax is administered by the New Hampshire Insurance Department. A BPT tax credit for taxes paid pursuant to sections of RSA 400-A is allowed by RSA 77-A:5, III.

**Methodology:** The amount reported as insurance tax credit used is the amount of credit actually used to offset a business profits tax liability on 265 returns filed in FY 2015.

**Tax returns filed in FY 2015:**

Tax Credit Used Against BPT ..... \$34,278,000

**CREDIT FOR INSURANCE TAX  
 Comparison CY 2011 – CY 2013 + FY 2014\* + FY 2015**

| CY 2011      | CY 2012      | CY 2013      | FY 2014*     | FY 2015      |
|--------------|--------------|--------------|--------------|--------------|
| \$17,802,000 | \$26,563,000 | \$23,803,000 | \$26,633,000 | \$34,278,000 |

*\* This data is based on tax returns filed in FY 2014 as required by RSA 71-C. This is in contrast to previous Tax Expenditure Reports published by the Department under RSA 77-A:5-a, which were based upon returns filed in a calendar year. Therefore, the FY 2014 box above contains data from the returns from the last six months of CY 2013, which has already been reported in the CY 2013 box above.*





**2. Community Development Finance Authority (CDFA) - Investment Tax Credit (RSA 162-L:10):**

**Description:** An investment tax credit equal to 75% of the contributions made to the CDFA as provided in RSA 77-A:5, XI. The 1998 Legislature limited the tax credit for the New Hampshire CDFA to contributions made during the tax year from July 1, 1999 forward. This tax credit has carryforward provisions. The tax credit may now be applied to the BPT, the BET, or the Insurance Premium Tax.

The CDFA credit is a “cascading” credit that may be used to reduce a BET liability and then used to reduce a BPT liability. The amount included in this report is the total reduction in revenue to the state whether applied against BPT, BET, or both tax liabilities.

**Methodology:** Credit used is the amount actually reported and used by 145 taxpayers to offset a tax liability on the New Hampshire BPT return, BET return, or both. This report does not include any credit taken to offset the Insurance Premium Tax, which may be done in lieu of applying the credit against business taxes.

**Tax returns filed in FY 2015:**

Tax Credit Used Against BPT, BET, or both..... **\$3,687,000**

**INVESTMENT TAX CREDIT  
 Comparison CY 2011 – CY 2013 + FY 2014\* + FY 2015**

| CY 2011     | CY 2012     | CY 2013      | FY 2014*    | FY 2015     |
|-------------|-------------|--------------|-------------|-------------|
| \$4,060,000 | \$3,279,000 | \$ 3,204,000 | \$3,140,000 | \$3,687,000 |

*\* This data is based on tax returns filed in FY 2014 as required by RSA 71-C. This is in contrast to previous Tax Expenditure Reports published by the Department under RSA 77-A:5-a, which were based upon returns filed in a calendar year. Therefore, the FY 2014 box above contains data from the returns from the last six months of CY 2013, which has already been reported in the CY 2013 box above.*



**3. Economic Revitalization Zone Tax Credit (ERZTC) (RSA 162-N:7):**

**Description:** The authority to enter into Community Reinvestment and Opportunity (CROP) Zone Credit Agreements became effective July 1, 2003. The CROP Zone tax credit was replaced with the ERZTC and shall be available to taxpayers only for tax liabilities arising during the five consecutive tax periods following the signing of the agreement. ERZTC shall be applied against tax due under RSA 77-E, the BET. For the purpose of the credit allowed under RSA 77-A:5, XII, the BPT, the ERZTC shall be considered taxes paid under RSA 77-E. ERZTCs shall not be transferable. This tax credit has carryforward provisions.

The ERZTC is a “cascading” tax credit that may be used to reduce a BET liability and, as considered “taxes paid” under RSA 77-E, may then be used to reduce a BPT liability. The amount included in this report is total the reduction in revenue to the State whether applied against BPT, BET, or both tax liabilities.

**Methodology:** Credit used is the amount actually reported by 39 taxpayers and used to offset a tax liability on the New Hampshire BPT return, BET return, or both.

**Tax returns filed in FY 2015:**

Tax Credit Used Against BPT, BET, or both..... **\$806,000**

**ECONOMIC REVITALIZATION ZONE TAX CREDIT  
 Comparison CY 2011 – CY 2013 + FY 2014\* + FY 2015**

| CY 2011   | CY 2012   | CY 2013   | FY 2014*  | FY 2015   |
|-----------|-----------|-----------|-----------|-----------|
| \$357,000 | \$301,000 | \$426,000 | \$360,000 | \$806,000 |

*\* This data is based on tax returns filed in FY 2014 as required by RSA 71-C. This is in contrast to previous Tax Expenditure Reports published by the Department under RSA 77-A:5-a, which were based upon returns filed in a calendar year. Therefore, the FY 2014 box above contains data from the returns from the last six months of CY 2013, which has already been reported in the CY 2013 box above.*



**4. Research and Development (R&D) Tax Credit (RSA 77-A:5, XIII):**

**Description:** Chapter 271, Laws of 2007 (SB 134) enacted the R&D Tax Credit. Through FY2013, the maximum credit allowed for all taxpayers was \$1,000,000 per fiscal year. The credit is based upon 10% of the excess of the qualified R&D expenses for the taxable year over the base amount. Wages for which a credit is taken shall not also be eligible under the ERZTC (RSA 162-N:7). Each taxpayer's share of the R&D tax credit shall not exceed \$50,000 per fiscal year. Taxpayers may apply up until June 30 following the tax year during which the research and development occurred and a determination will be made by the Commissioner no later than September 30. The R&D tax credit is first applied to the BPT and, while this is not a "cascading" tax credit, the unused portion of any R&D tax credit shall be available to apply to the BET. Any R&D tax credit used against either tax is included herein. The first \$1,000,000 in credits were awarded in September 2008. Beginning in FY2014, the maximum amount to be issued is now \$2,000,000 each year.

The R&D tax credit is not a "cascading" tax credit.

**Methodology:** Credit used is the amount actually reported by 166 taxpayers and used to offset a tax liability on the New Hampshire BPT return, BET returns, or both.

**Tax returns filed in FY 2015:**

Tax Credit Used Against BPT, BET, or both..... \$1,892,000

**RESEARCH and DEVELOPMENT TAX CREDIT  
 Comparison CY 2011 – CY 2013 + FY 2014\* + FY 2015**

| CY 2011   | CY 2012   | CY 2013     | FY 2014*    | FY 2015     |
|-----------|-----------|-------------|-------------|-------------|
| \$951,000 | \$746,000 | \$1,320,000 | \$1,366,000 | \$1,892,000 |

*\* This data is based on tax returns filed in FY 2014 as required by RSA 71-C. This is in contrast to previous Tax Expenditure Reports published by the Department under RSA 77-A:5-a, which were based upon returns filed in a calendar year. Therefore, the FY 2014 box above contains data from the returns from the last six months of CY 2013, which has already been reported in the CY 2013 box above.*



**5. Coos County Job Creation (CCJC) Tax Credit (RSA 162-Q):**

**Description:** Chapter 172, Laws of 2008 (HB 1644) enacted the CCJC tax credit and became effective for taxable periods ending on or after June 9, 2008. The CCJC tax credit shall be available to taxpayers only for tax liabilities arising during the five consecutive tax periods following the awarding of the credit. CCJC tax credits shall be applied against tax due under RSA 77-E, the BET, and any remainder may be applied against tax due under RSA 77-A:5, the BPT. For the purpose of the credit allowed under the BPT, the CCJC tax credit shall be considered “taxes paid” under the BET. This tax credit has carryforward provisions.

The CCJC tax credit is a “cascading” credit that may be used to reduce a BET liability and the “taxes paid” under the BET may then be used to reduce a BPT liability. The amount included in this report is the total reduction in revenue to the State whether applied against BPT, BET, or both tax liabilities.

**Methodology:** Credit used is the amount actually reported by 34 taxpayers and used to offset a tax liability on the New Hampshire BET and BPT tax returns.

**Tax returns filed in FY 2015:**

Tax Credit Used Against BPT, BET or both..... \$96,000

**COOS COUNTY JOB CREATION TAX CREDIT  
 Comparison CY 2011 – CY 2013 + FY 2014\* + FY 2015**

| CY 2011  | CY 2012  | CY 2013  | FY 2014* | FY 2015  |
|----------|----------|----------|----------|----------|
| \$12,750 | \$36,700 | \$68,000 | \$58,000 | \$96,000 |

*\* This data is based on tax returns filed in FY 2014 as required by RSA 71-C. This is in contrast to previous Tax Expenditure Reports published by the Department under RSA 77-A:5-a, which were based upon returns filed in a calendar year. Therefore, the FY 2014 box above contains data from the returns from the last six months of CY 2013, which has already been reported in the CY 2013 box above.*



**6. Education Tax Credit (RSA 77-G):**

**Description:** Chapter 287, Laws of 2012 (SB 372) enacted a law that allows a business organization and business enterprise to make a money donation (up to \$400,000 in the first year of the program and \$600,000 in the second year of the program) to an approved scholarship organization(s) for which the business organization or business enterprise will receive a tax credit against the BPT and/or BET for 85% of their donation. The donations are used by an approved scholarship organization(s) to grant scholarships for children to attend private schools. The Education Tax Credit Program began January 1, 2013.

This tax credit is not a “cascading” credit and it also does not have any carryforward provisions. The tax credit may only be used to offset tax liabilities incurred in the tax year in which the donation was made.

The amount included in this report is the total reduction in revenue to the State whether applied against BPT, BET, or both tax liabilities.

**Methodology:** Credit used is the amount actually reported by 6 taxpayers and used to offset a tax liability on the New Hampshire BET and BPT returns.

**Tax returns filed in FY 2015:**

Tax Credit Used Against BPT, BET or both..... \$115,000

**EDUCATION TAX CREDIT  
 Comparison CY 2011 – CY 2013 + FY 2014\* + FY 2015**

| CY 2011 | CY 2012 | CY 2013 | FY 2014* | FY 2015   |
|---------|---------|---------|----------|-----------|
| NA      | NA      | NA      | \$20,000 | \$115,000 |

*\* This is the first year this data is being reported. This data is based on tax returns filed in FY 2014 as required by RSA 71-C. This is in contrast to previous Tax Expenditure Reports published by the Department under RSA 77-A:5-a, which were based upon returns filed in a calendar year. Therefore, the FY 2014 box above contains data from the returns from the last six months of CY 2013.*



## VI. Report of Additional Information

### 1. Weighting of the Sales Apportionment Factor (RSA 77-A:3, III(a)) (Net Loss)

For taxable periods ending on or after December 31, 1991 to June 30, 1994, the sales factor of the New Hampshire 3 factor apportionment formula for the BPT was modified. The sales factor was multiplied by 1.5 then combined with the payroll and property factors, the sum of which was divided by 3.5. Therefore, sales comprised 42.8% of the apportionment factor, while payroll and property comprised 28.6% each. It is important to note that this change has no effect on 100% New Hampshire business organizations.

Taxpayers with tax years ending on or after July 1, 1994 must double weight the sales factor of the apportionment formula. This change results in the sales factor comprising 50% of the apportionment factor, with payroll and property comprising 25% each.

**METHODOLOGY:** All business returns filed in FY 2015 were included in this analysis. Programs were developed to actually calculate the tax that would have been due using equally weighted factors. The results were compared to the actual tax liability and the difference computed. Below are the results of businesses impacted by this provision:

4,799 businesses with decreased liability paid \$23,185,333 less in tax.  
 7,328 businesses with increased liability paid \$22,487,605 more in tax.

The top 10 businesses paying less tax saved \$6,189,824 with an average savings of \$618,982.

The top 10 businesses paying more tax paid \$6,097,245 with an average cost of \$609,725.

Net Impact On Business Profits Tax Revenue: **Revenue loss of \$697,728**

#### **CHANGE TO APPORTIONMENT (NET LOSS) Comparison CY 2011 – CY 2013 + FY 2014\* + FY 2015**

| CY 2011     | CY 2012       | CY 2013   | FY 2014*    | FY 2015     |
|-------------|---------------|-----------|-------------|-------------|
| (2,862,000) | (\$2,309,000) | \$169,000 | (\$971,000) | (\$698,000) |
| Loss        | Loss          | Gain      | Loss        | Loss        |

*\* This data is based on tax returns filed in FY 2014 as required by RSA 71-C. This is in contrast to previous Tax Expenditure Reports published by the Department under RSA 77-A:5-a, which were based upon returns filed in a calendar year. Therefore, the FY 2014 box above contains data from the returns from the last six months of CY 2013, which has already been reported in the CY 2013 box above.*



**2. Net Operating Losses (RSA 77-A:4, XIII) (Reduction in BPT)**

The Department included in the first tax expenditure report, per request from the New Hampshire legislative leadership, information pertaining to taxpayer use of the Net Operating Loss (NOL) deduction, RSA 77-A:4,XIII. The NOL carry forward provision has a result similar to a credit against the current year tax liability.

The NOL deduction is a provision of the BPT law added in 1988. The NOL provision was effective for losses incurred after January 1, 1989. On July 1, 2002, the law was revised so that NOLs may now be carried forward for 10 years following the loss year instead of 5 years. The amount of NOL generated each year per entity was limited to \$250,000. For taxable periods ending between July 1, 2003 and June 30, 2004, the NOL generated may not exceed \$500,000, between July 1, 2004 and June 30, 2005, the NOL generated may not exceed \$750,000 and on or after July 1, 2005, the NOL generated may not exceed \$1,000,000 and the requirement to carry-back losses is eliminated.

For taxable periods ending on or after January 1, 2013, the NOL generated may not exceed **\$ 10,000,000** per entity.

In FY 2015, 5,034 business organizations used the net operating loss deduction. The following table details the results of this usage:

|                                              |                            |
|----------------------------------------------|----------------------------|
| Total NOL Used (after apportionment) .....   | <u>\$248,360,000</u>       |
| Average NOL Used (after apportionment) ..... | <u>\$49,337</u>            |
| <b>Total tax decrease due to NOL .....</b>   | <b><u>\$21,111,000</u></b> |
| Average Tax Benefit to each taxpayer.....    | <u>\$4,194</u>             |

**NET OPERATING LOSS (Reduction in BPT)  
 Comparison CY 2011 – CY 2013 + FY 2014\* + FY 2015**

| CY 2011      | CY 2012      | CY 2013      | FY 2014*     | FY 2015      |
|--------------|--------------|--------------|--------------|--------------|
| \$18,352,000 | \$18,794,000 | \$16,975,000 | \$19,396,000 | \$21,111,000 |

*\* This data is based on tax returns filed in FY 2014 as required by RSA 71-C. This is in contrast to previous Tax Expenditure Reports published by the Department under RSA 77-A:5-a, which were based upon returns filed in a calendar year. Therefore, the FY 2014 box above contains data from the returns from the last six months of CY 2013, which has already been reported in the CY 2013 box above.*



**3. Business Enterprise Tax Credit (RSA 77-A:5, X)**

Taxes paid under the BET receive a dollar-for-dollar credit against BPT. This tax credit was allowed to be carried forward for up to five years. Effective July 1, 2014, any unused tax credit can be carried forward for 10 years from the taxable period in which it was paid starting with taxable periods ending on or after December 31, 2014.

BET reported paid on the 36,705 returns filed in FY 2015 with a BET liability was \$200,358,000.

BET Credit Used Against BPT .....\$124,870,000

BET credit was used to offset BPT liabilities on 17,920 returns filed in FY 2015.

**BUSINESS ENTERPRISE TAX CREDIT  
 Comparison CY 2011 – CY 2013 + FY 2014\* + FY 2015**

| CY 2011      | CY 2012      | CY 2013       | FY 2014*      | FY 2015       |
|--------------|--------------|---------------|---------------|---------------|
| \$99,108,000 | \$97,001,000 | \$103,606,000 | \$116,620,000 | \$124,870,000 |

*\* This data is based on tax returns filed in FY 2014 as required by RSA 71-C. This is in contrast to previous Tax Expenditure Reports published by the Department under RSA 77-A:5-a, which were based upon returns filed in a calendar year. Therefore, the FY 2014 box above contains data from the returns from the last six months of CY 2013, which has already been reported in the CY 2013 box above.*





**4. Credit Carryovers From Overpaid Business Taxes**

Taxpayers quite often pay more in estimated payments and extension payments than the actual amount of the tax liability due as determined by the filing of their Business Tax return. In that case, the taxpayer directs the Department what he or she would like the Department to do with their overpaid BPT and BET. Sometimes the taxpayer requests the overpayment be returned to the taxpayer in the form of a refund. Sometimes the taxpayer requests the overpayment be credited against next year’s tax liability. And, sometimes the overpayment is partially refunded and partially credited as an estimate against the subsequent filing period.

As of November 17, 2015, the number of business returns filed in FY 2015 was 73,180.

On these 73,180 returns filed in FY 2015, 16,068 taxpayers requested that their overpayment of taxes be credited and carried over to the next tax year. The total amount of requested overpayment to be credited and carried over was \$156,315,000.

**CREDIT CARRYOVERS FROM OVERPAID BUSINESS TAXES  
 Comparison CY 2011 – CY 2013 + FY 2014\* + FY 2015**

| CY 2011 | CY 2012 | CY 2013 | FY 2014*      | FY 2015       |
|---------|---------|---------|---------------|---------------|
| N/A     | N/A     | N/A     | \$144,648,000 | \$156,315,000 |

*\* This is the first year this data is being reported. This data is based on tax returns filed in FY 2014 as required by RSA 71-C. This is in contrast to previous Tax Expenditure Reports published by the Department under RSA 77-A:5-a, which were based upon returns filed in a calendar year. Therefore, the FY 2014 box above contains data from the returns from the last six months of CY 2013.*



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## VII. Acknowledgements

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**John T. Beardmore, Commissioner**

**NH Department of Revenue Administration**