

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

**TECHNICAL INFORMATION RELEASE
TIR 2012-006 Date December 19, 2012**

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 Education Tax Credit Program RSA Chp. 77-G

The purpose of this Technical Information Release is to provide general information regarding the new Education Tax Credit Program (RSA Chp. 77-G). This release is for informational purposes only. For greater detail, please review the statute and rules available on our website at: www.revenue.nh.gov/forms/EducationTaxCreditProgramForms.htm

The NH Legislature has 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) to an approved scholarship organization(s) for which the business organization or business enterprise will receive a tax credit against the Business Profits Tax and/or Business Enterprise Tax 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 new Education Tax Credit Program is scheduled to begin January 1, 2013.

Beginning January 1, 2013 (and no later than June 15, 2013), organizations may apply to the NH Department of Revenue Administration (DRA) for approval as a "Scholarship Organization" by filing a "Scholarship Organization Application" (Form ED-01). This is an annual approval process. For the next program year, however, an approved scholarship organization may submit its application for approval in December of 2013 when it files the "Scholarship Organization Report" (see below).

Beginning January 1, 2013 (and no later than June 15, 2013), a business organization or business enterprise may apply to the DRA for approval to make a money donation(s) to an approved scholarship organization(s) for a tax credit by filing an "Education Tax Credit Application" (Form ED-02). Within 60 days of being approved by the DRA to make a donation(s) (but no later than July 15th), the business organization or business enterprise must make the donation(s) to the approved scholarship organization(s).

Within 15 days of receiving a donation from a business organization or business enterprise, the scholarship organization must issue an "Education Tax Credit Donation Receipt" (Form ED-03) to the donor business organization or business enterprise and to the DRA, acknowledging receipt of the donation and the actual donation amount.

On or before December 1st, the scholarship organization must issue an “Education Tax Credit Scholarship Receipt” (Form ED-04) to the donor-business organization or donor-business enterprise and the DRA, reporting how much of the donation was actually used by the scholarship organization and how much is available to the business organization or business enterprise as a tax credit.

Immediately upon receipt of a scholarship (but no later than December 1st), a receiving school or home school parent must file a “receipt” with the scholarship organization identifying expenses.

On or before December 1st, the scholarship organization is required to file a “Scholarship Organization Report” (Form ED-05) with the DRA. This report includes aggregate information gathered from the “Education Tax Credit Survey” administered by the scholarship organization to recipients of scholarships. The scholarship organization may file the “Scholarship Organization Application” (Form ED-01) with the Scholarship Organization Report in December, requesting approval as a scholarship organization for the next program year.

Anyone alleging a violation of the Education Tax Credit Program may file a “Complaint Form” (Form ED-06) with the DRA.

Please visit our website at: www.revenue.nh.gov/forms/EducationTaxCreditProgramForms.htm to view the relevant statute, rules and forms. Questions regarding the new Education Tax Credit program should be directed to John Lighthall at (603) 230-5018 or email at: John.Lighthall@DRA.NH.GOV.

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.