

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

**TECHNICAL INFORMATION RELEASE  
TIR 2023-003 Date: September 26, 2023**

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 Taxpayer Services at (603) 230-5920.

**2023 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 2023 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 a full and complete text or as a substitute for the actual state law. Please refer to the applicable statutes and rules to determine how this information applies to specific persons or situations.

**BUSINESS TAX**

**HB 2 (Chapter 79, Sections 191-192)** amends the formula employed for the distribution of BPT and BET revenues to the Education Trust Fund. Previously, portions of BPT and BET revenues were transferred from the General Fund to Educational Trust Fund using a calculation that involved the respective BPT and BET tax rates. Whenever the tax rate is changed by the legislature, the distribution rate changes. This law change fixes the distribution rate to 41% to the Education Trust Fund for both BET and BPT.

*Statute Amended: RSA 77-A:20-a and RSA 77-E:14.  
Effective Date: July 1, 2023.*

**SB 189 (Chapter 169)** allows, in determining taxable business profits for taxable periods beginning on or after January 1, 2024, a deduction of the business interest expense incurred in the taxable period without regard to IRC §163(j) limitation. Any carry forward of business interest expense federally disallowed under IRC §163(j) as of taxable period before January 1, 2024, shall be allowed as a deduction in three equal parts over three consecutive years beginning with the first taxable period commencing on or after January 1, 2024.

*Statute Added: RSA 77-A:4, XX.  
Effective Date: January 1, 2024.*

## MEALS AND ROOMS (RENTALS) TAX

**HB 2 (Chapter 79, Section 248)** amends the title of the person, from the Director of Energy and Planning to the Director of the Office of Planning and Development, as the person required to determine the components and resulting estimates in the process of population estimation of municipalities.

*Statute Amended: RSA 78-A:25, III.*

*Effective Date: July 1, 2023.*

## INTEREST AND DIVIDENDS TAX

**HB 2 (Chapter 79, Sections 85 – 88)** accelerates the repeal of the I&D Tax to taxable periods beginning after December 31, 2024, from taxable periods beginning after December 31, 2026, and repeals the previously schedule reduction of the I&D Tax rate to 2% for taxable periods ending on or after December 31, 2025, and 1% for taxable periods ending on or after December 31, 2026. Previously, Laws of 2021, Chapter 91, Sections 89 through 102 provides for the repeal of the I&D Tax for taxable periods beginning after December 31, 2026. This bill also amends the effective date of the removal or repeal of references to the I&D tax in other state statutes, as provided in Laws of 2021, Chapter 91, Sections 90 through 100 to January 1, 2025.

*Statutes Amended: RSA 77; RSA 14-B:8, III(q); RSA 15-A:5, I(d)(17); RSA 21-J:31; RSA 21-J:33-a; RSA 21-J:46, III; RSA 71-C:4; RSA 77-G; RSA 369-B:5, VI.*

*Statutes Repealed: RSA 21-J:45, I(c); RSA 77; RSA 77-A:4-c, II(c); RSA 77-A:4, I; RSA 195-H:10; RSA 195-K:4; RSA 261:52-a; RSA 391:3.*

*Effective Date: Repeal of the 2% and 1% I&D tax rates shall be effective July 1, 2023. Repeal of RSA 77 shall be effective July 1, 2023 (applicable to taxable periods beginning after December 31, 2024). The remaining sections shall be effective January 1, 2025.*

## MUNICIPAL AND PROPERTY

**HB 174 (Chapter 117)** relative to the filing of notice of intent to cut timber. This bill allows the owner to commence cutting operations if the owner had met all the conditions for approval, but the notice of intent is not signed by the assessing officials within 15 days, and that the assessing officials have not communicated a reason to the owner as to why conditions for approval have not been met. Prior to cutting, the owner shall submit to the DRA, a copy of the notice of intent and provide the date of filing. If the assessing officials determine that conditions for approval have not been met, the assessing officials shall notify the owner and the person responsible for the cutting, where the cutting operations shall cease until those conditions are met and the intent signed. This bill also requires assessing officials to forward any signed intent to the Commissioner of the DRA within five business days and provide a copy to the owner.

*Statute Amended: RSA 79:10, I and RSA 227-J:5.*

*Effective Date: August 29, 2023.*

**HB 197 (Chapter 119)** relative to the proration of property tax exemptions. A person eligible for a property tax exemption for the blind (RSA 72:37), disabled (RSA 72:37-b), deaf or severely hearing impaired (RSA 72:38-b), or elderly (RSA 72:39-b) and owns a fractional interest in the property, the exemption amount shall be prorated based on the amount of that person's fractional interest in the property. The total exemption to all persons shall not exceed the amount provided in RSA 72:37, 72:37-b, 72:38-b, or 72:39-b. The application of this bill does not require readoption by the municipalities. This bill shall be effective April 1, 2024, and shall apply beginning with the 2024 property tax year.

*Statute Amended: RSA 72:41.*

*Effective Date: April 1, 2024 (applicable beginning with the 2024 property tax year).*

**HB 206 (Chapter 21)** Amends the definition of "armed forces" in RSA 21:50, II to include the Space Force.

*Statute Amended: RSA 21:50, II.*

*Effective Date: July 3, 2023.*

**HB 237 (Chapter 39)** establishes the date of December 31 in the calendar year preceding said April 1 as the date for asset evaluation for purposes of determining eligibility for property tax exemption for the disabled, for the deaf or severely hearing impaired persons, and for elderly exemption. The application of this bill does not require readoption by the municipalities. This bill shall be effective July 18, 2023, and shall apply beginning with the 2024 property tax year.

*Statute Amended: RSA 72:37-b, III(b), RSA 72:38-b, III(c), and RSA 72:39-a, I(c).*

*Effective Date: July 18, 2023 (applicable beginning with the 2024 property tax year).*

**SB 225 (Chapter 228)** establishes a commission to study the assessing of power generation. The commission shall compare the efficacy of the Department's approach to assessing the assets with the approach utilized by the municipalities, study the approach used by other states, and recommend a unified approach for the Department and the municipalities.

*Statute Repealed and Reenacted: RSA 72:8-f.*

*Effective Date: August 4, 2023.*

### **MISCELLANEOUS**

**HB 285 (Chapter 33)** authorizes the DRA to incorporate the New Hampshire Equalization Manual into the DRA's administrative rules and relative to the development of DRA forms or returns.

*Statute Amended: RSA 541-A:21, V.*

*Statute Added: RSA 21-J:1, II(d).*

*Effective Date: July 16, 2023.*

**HB 412 (Chapter 87)** re-establishes a commission to study revenue alternatives to the road toll for the funding of the state's highways and bridges and resulting improvements to the environment. The Commissioner of the DRA or her designee shall be a member of this commission.

*Statute Repealed and Reenacted: RSA 21-J:49.  
Effective Date: June 20, 2023.*

**HB 595 (Chapter 36)** establishes an advisory committee on the Public Deposit Investment Pool. The Commissioner of the DRA or her designee shall be a member of this advisory committee. The advisory committee shall assist the State Treasurer on the establishment and operation of the investment pool.

*Statute Added: RSA 6:45 through 47.  
Statutes Repealed: RSA 383:22 through 24.  
Effective Date: July 16, 2023.*

**SB 52 (Chapter 66)** relative to the regulation and operation of electric vehicle charging stations. Parts of this bill establishes a committee to study funding mechanisms for electric vehicle charging infrastructure. The committee shall consider the feasibility of non-ratepayer sources of funding for electric vehicle charging infrastructure, which may include Meals and Rooms Tax revenue, and incentivizing private capital through Business Profits Tax and Business Enterprise Tax credits, state Utility Property Tax credits, and enabling local property tax exemptions.

*Effective Date: August 6, 2023.*

**SB 120 (Chapter 109:5)** removes the requirement of a certificate of good standing from the DRA for a game operator employer license application.

*Statute Amended: RSA 287-D:8.  
Effective Date: July 1, 2023.*

**SB 127 (Chapter 145:7)** removes the requirement for nursing facilities to submit a copy of the return for the nursing facility quality assessment to the Commissioner of the Department of Health and Human Services (DHHS). Under previous law, a nursing facility was required to submit the return to the Commissioner of the DRA as well as to the Commissioner of DHHS.

*Statute Amended: RSA 84-C:4.  
Effective Date: June 30, 2023.*

*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) 230-5920.*