

CHAPTER Rev 2500 ELECTRONIC TRANSFERS AND FILING

PART Rev 2501 DEFINITIONS

Readopt Rev 2501.01 through Rev 2501.06, effective 12-5-13 (Document #10484), to read as follows:

Rev 2501.01 “Addenda record” means the tax information and electronic format required by the department in an ACH credit transfer.

Rev 2501.02 “Automated clearing house (ACH)” means a central distribution and settlement point for the electronic clearing of money transfers between financial institutions where the clearing house for electronic debit or credit entries operates pursuant to an agreement with a member of the national automated clearing house association.

Rev 2501.03 “Automated clearing house credit (ACH credit)” means the electronic transfer of funds initiated by the taxpayer crediting the state’s designated bank account and cleared through the ACH network by an entry debiting the taxpayer’s bank account.

Rev 2501.04 “Automated clearing house debit (ACH debit)” means the electronic transfer of funds initiated by the department debiting the taxpayer’s account and cleared through the ACH network by an entry crediting the state’s designated bank account.

Rev 2501.05 “Automated clearing house network (ACH network)” means the electronic funds transfer (EFT) system governed by the national automated clearing house association.

Rev 2501.06 “Automated clearing house trace number” means a unique number assigned to an EFT transaction by the financial institution originating the transaction, under the ACH method of payment.

Readopt with amendment Rev 2501.07, effective 12-5-13 (Document #10484), to read as follows:

Rev 2501.07 “Cash concentration of disbursement plus addenda (CCD+)” means a standard national automated clearing house association data format used to make ACH credit or debit transactions with a single addenda record of payment data known as the TXP.

Readopt Rev 2501.08, effective 12-5-13 (Document #10484), to read as follows:

Rev 2501.08 “Department” means the New Hampshire department of revenue administration.

Readopt Rev 2501.09, effective 10-23-19 (Document #12907), to read as follows:

Rev 2501.09 “Electronic funds transfer (EFT)” means any transfer of funds, other than a transaction originated by check, draft, or similar paper instrument, which is initiated through an electronic terminal or computer to order, instruct, or authorize a financial institution to debit or credit an account.

Repeal Rev 2501.10, effective 12-5-13 (Document #10484), as follows:

~~Rev 2501.10 “Holiday” means a recognized state holiday, in accordance with RSA 288:1 and RSA 288:2, or a holiday recognized by financial institutions, in accordance with RSA 288:3.~~

Readopt and renumber Rev 2501.11 and Rev 2051.12, effective 12-5-13 (Document #10484), as Rev 2501.10 and Rev 2501.11 to read as follows:

Rev 2501.10 “National automated clearing house association (NACHA)” means the regulatory body for the ACH network.

Rev 2501.11 “Payment authorization information” means the taxpayer-provided data required to complete an electronic debit payment transaction.

Readopt and renumber Rev 2501.13, effective 1-1-15 (Document #10754), as Rev 2501.12 to read as follows:

Rev 2501.12 “Prenote test” means a banking industry safeguard where a zero-dollar transaction is sent through the ACH network to verify the New Hampshire department of treasury’s routing/transit number and bank account number.

Readopt and renumber Rev 2501.14 through Rev 2501.16, effective 12-5-13 (Document #10484), as Rev 2501.13 through Rev 2501.15 to read as follows:

Rev 2501.13 “Taxpayer” means any person, entity, or association who uses the department’s electronic funds transfer system.

Rev 2501.14 “Tax payment (TXP)” means the banking convention record format for taxpayers to pay state taxes through the ACH method.

Rev 2501.15 “Taxpayer identification number” means:

- (a) Social Security number;
- (b) Federal employer identification number;
- (c) Individual taxpayer identification number;
- (d) Preparer tax identification number; or
- (e) Department identification number.

Readopt and renumber Rev 2501.18, effective 12-5-13 (Document #10484), as Rev 2501.16 to read as follows:

Rev 2501.16 “TXP format” means the banking convention format for a filed transaction within a record of payment-related data used in ACH transactions.

PART Rev 2502 GENERAL PROVISIONS

Readopt with amendment Rev 2502.01, effective 10-23-19 (Document #13126-B), to read as follows:

Rev 2502.01 Mandatory Participation.

- (a) Nursing facility quality assessment taxpayers shall make tax payments by EFT.
- (b) Medicaid enhancement tax taxpayers shall make tax payments by EFT.

Readopt with amendment and renumber Rev 2502.03, effective 12-5-13 (Document #10484), as Rev 2502.02 to read as follows:

Rev 2502.02 Timing of Remittance.

(a) Taxpayers remitting tax payments through ACH credit or ACH debit shall remit those payments to the NH state treasurer on or before the due date of the tax.

(b) Payments made pursuant to RSA 78-A, shall be considered timely only if received by the NH state treasurer in the state of New Hampshire's bank account on or before the due date as prescribed in that chapter.

(c) Taxpayers registered, as described in Rev 2503.03, by the department for the ACH credit payment method shall:

(1) Ensure that the financial institution originating the transaction has the information necessary for a correct and timely completion of the transaction; and

(2) Provide the information necessary for the financial institution to complete the NACHA CCD+ entry with the TXP format addendum record.

Readopt with amendment and renumber Rev 2502.04, effective 12-5-13 (Document #10484), as Rev 2502.03 to read as follows:

Rev 2502.03 ACH Payment Transmission Errors.

(a) If a taxpayer makes an incorrect payment for a particular period, the taxpayer shall, on the nearest business day on which the error was discovered:

(1) Notify:

a. The department by calling (603) 230-5920; and

b. Their financial institution;

(2) Follow up by written confirmation to the department as to the factual information regarding the error; and

(3) Make arrangements, except in the case of an overpayment, to initiate payment for the correct amount of payment.

(b) If the error results in an overpayment of taxes in any particular taxable period, the overpayment shall first be applied to offset against any taxes, penalties, or interest owed to the department. Any available overpayment thereafter shall be applied against the liability for the next taxable period, unless required by statute or requested by taxpayer in writing to be refunded.

Readopt and renumber Rev 2502.05 through Rev 2502.07, effective 12-5-13 (Document #10484), as Rev 2502.04 through Rev 2502.06 to read as follows:

Rev 2502.04 Crediting Electronic Payments. Electronic payments shall be credited to the taxpayer's account by the department in accordance with the application of payments described in Rev 2903.05 and Rev 2903.07.

Rev 2502.05 Financial Institution Service Fees. Any transfer fees, service charges, discrepancies in exchange rate, or other fees charged by the taxpayer's financial institution for ACH credit or debit participation shall be the responsibility of the taxpayer.

Rev 2502.06 Record Retention. All EFT records, whether paper or electronic, shall be retained pursuant to Rev 2906.12.

PART Rev 2503 ACH CREDIT PARTICIPATION

Readopt with amendment Rev 2503.01, effective 12-5-13 (Document #10484), to read as follows:

Rev 2503.01 ACH Credit Participation Options. Any business enterprise and business profits taxpayer may:

- (a) Voluntarily participate in the ACH credit participation;
- (b) Withdraw from ACH credit participation; or
- (c) Participate in ACH debit payments, pursuant to Rev 2504.

Readopt with amendment Rev 2503.02, effective 12-5-13 (Document #10484), to read as follows:

Rev 2503.02 Withdrawal From ACH Credit Participation.

(a) A participant shall submit a request in writing at least 60 days prior to the last non-ACH credit payment due date, to the department, to withdraw from ACH credit participation by including the following:

- (1) Name;
 - (2) Taxpayer identification number;
 - (3) The effective date of the removal request;
 - (4) The last due date for ACH credit payment;
 - (5) A dated and signed statement providing the reason for withdrawal from ACH credit participation; and
 - (6) Any other information the participant believes is applicable to withdrawal.
- (b) A withdrawal request shall be granted by the department upon receipt of the request to withdraw provided:
- (1) The information required in (a) above has been submitted; and

(2) The taxpayer's tax liability is below any statutory threshold for participation.

(c) A withdrawal request shall be denied by the department due to not meeting the requirements listed in (b) above.

Readopt with amendment Rev 2503.03, effective 12-5-13 (Document #10484), to read as follows:

Rev 2503.03 Registration to Pay by ACH Credit. A taxpayer using ACH credit to remit payments to the department shall, prior to remitting payment:

(a) Complete and submit to the department Form DP-175, "Electronic Funds Transfer ACH Credit Registration for Business Tax Payments", as specified in Rev 2505.02, at least 30 days prior its first ACH credit payment; and

(b) Complete a prenote test at least 10 calendar days prior to its first ACH credit payment.

Readopt Rev 2503.04, effective 1-1-15 (Document #10754), to read as follows:

Rev 2503.04 Registration Information Changes. Whenever registration information changes, a taxpayer shall:

(a) Provide written notice to the department by completing and submitting Form DP-175, "Electronic Funds Transfer ACH Credit Registration for Business Tax Payments", as specified in Rev 2505.02, at least 30 days prior of any change of the information; and

(b) Complete a prenote test at least 10 calendar days prior to any change of the information.

Readopt Rev 2503.05, effective 12-5-13 (Document #10484), to read as follows:

Rev 2503.05 Remitting Payments. A taxpayer may remit payment by ACH credit after completing the prenote test.

Readopt with amendment Rev 2503.06, effective 12-5-13 (Document #10484), to read as follows:

Rev 2503.06 Renewal of Electronic Payments. A taxpayer applying to resume ACH credit payments after ceasing to remit ACH credit payments shall:

(a) Submit a new Form DP-175, "Electronic Funds Transfer ACH Credit Registration for Business Tax Payments", as specified in Rev 2505.02, at least 30 days prior to resuming any ACH credit payment; and

(b) Complete a prenote test at least 10 calendar days prior to the first ACH credit payment.

Readopt Rev 2503.07, effective 12-5-13 (Document #10484), to read as follows:

Rev 2503.07 Penalties.

(a) The ACH credit method of payment shall not change the current filing requirements for tax returns.

(b) Any payment required by ACH credit not made by the due date shall be subject to:

- (1) Penalties pursuant to RSA 21-J:31-33; and
 - (2) Interest pursuant to RSA 21-J:28.
- (c) Failure to conform with any filing, data transmission, or payment with the ACH credit method prescribed by the department shall result in:
- (1) Penalties pursuant to RSA 21-J:31 - 33; and
 - (2) Interest pursuant to RSA 21-J:28.
- (d) In the event of a malfunction of the ACH credit payment mechanism, no interest or penalties shall be imposed provided the taxpayer verifies the proper amount of tax payment was initiated via ACH credit payment in a timely manner by written confirmation from the taxpayer's financial institution.
- (e) The taxpayer shall bear the burden of proof of proper tax payment.
- (f) In addition to the provisions for reasonable cause for failure to file pursuant to RSA 21-J:31 and failure to pay pursuant to RSA 21-J:33, for ACH credit purposes, reasonable cause for late payment by ACH credit shall include, but not be limited to:
- (1) The inability to gain access to the ACH system on the required date because of a system failure beyond the control of the taxpayer; or
 - (2) Failure of the ACH network to properly apply a payment.

PART Rev 2504 ACH DEBIT PAYMENTS

Readopt with amendment Rev 2504.01 and Rev 2504.02, effective 12-5-13 (Document #10484), to read as follows:

Rev 2504.01 Business Tax. Business tax filers may remit payments electronically through the ACH debit method by accessing the department's Granite Tax Connect web portal at gtc.revenue.nh.gov.

Rev 2504.02 Interest and Dividends Tax. Interest and dividend taxpayers may remit payments electronically through the ACH debit method by accessing the department's Granite Tax Connect web portal at gtc.revenue.nh.gov.

Readopt with amendment and renumber Rev 2504.06, effective 12-5-13 (Document #10484), as Rev 2504.03 to read as follows:

Rev 2504.03 Registry of Deeds. County registry of deeds may remit real estate transfer taxes electronically through the ACH debit method by accessing the department's Granite Tax Connect web portal at gtc.revenue.nh.gov.

Readopt with amendment and renumber Rev 2504.07, effective 12-5-13 (Document #10484), as Rev 2504.04 to read as follows:

Rev 2504.04 Tax Preparers Remitting Tax Payments for Clients. Tax preparers remitting tax payments for their clients through the ACH debit method shall initiate those payments to the department using the department's Granite Tax Connect web portal at gtc.nh.gov.

Readopt and renumber Rev 2504.08, effective 12-5-13 (Document #10484), as Rev 2504.05 to read as follows:

Rev 2504.05 Penalties.

(a) The ACH debit method of payment shall not change the current filing requirements for tax returns.

(b) Any payment required by ACH debit not received by the due date shall be subject to:

(1) Penalties pursuant to RSA 21-J:31-33; and

(2) Interest pursuant to RSA 21-J:28.

(c) Failure to conform with any filing, data transmission, or payment with the ACH debit method prescribed by the department shall result in:

(1) Penalties pursuant to RSA 21-J:31 - 33; and

(2) Interest pursuant to RSA 21-J:28.

(d) The taxpayer shall bear the burden of proof of proper tax payment.

(e) In addition to the provisions for reasonable cause for failure to file pursuant to RSA 21-J:31 and failure to pay pursuant to RSA 21-J:33, for ACH debit purposes, reasonable cause for late payment by ACH debit shall include, but not be limited to, the failure of the ACH network to properly apply a payment.

PART Rev 2505 FORMS

Readopt with amendment Rev 2505.01, effective 12-5-13 (Document #10484), to read as follows:

Rev 2505.01 Forms Availability.

(a) Forms shall be available by:

(1) Accessing the department's website at <http://www.revenue.nh.gov/forms>;

(2) Emailing the department at forms@dra.nh.gov;

(3) Calling (603) 230-5001; or

(4) Writing to the department at:

New Hampshire Department of Revenue Administration
PO Box 3306
Concord, NH 03302-3306.

Readopt with amendment Rev 2505.02, effective 12-5-13 (Document #10484), to read as follows:

Rev 2505.02 Form DP-175, Electronic Funds Transfer ACH Credit Registration for Business Tax Payments.

(a) Business tax taxpayers shall complete and file with the department, Form DP-175, “Electronic Funds Transfer ACH Credit Registration for Business Tax Payments”, to register to remit payments by ACH credit.

(b) Form DP-175, “Electronic Funds Transfer ACH Credit Registration for Business Tax Payments” shall be filed at least 30 days prior to:

- (1) The first ACH credit payment; or
- (2) Any changes in the information.

Repeal Rev 2505.04, effective 12-5-13 (Document #10484), as follows:

~~Rev 2505.04 Form DP-149, Web Import Registration for E-File New Hampshire Tax Payments.~~

~~(a) A tax preparer shall complete and file with the department Form DP-149, “Web Import Registration for E-File New Hampshire Tax Payments” if:~~

- ~~(1) The tax preparer wishes to make payments for clients; or~~
- ~~(2) The tax preparer’s taxpayer identification number changed.~~

~~(b) Form DP-149, “Web Import Registration for E-File New Hampshire Tax Payments” shall be filed 30 days prior to using e-file New Hampshire in order to allow for processing time.~~

APPENDIX

Rule	Specific State Statute the Rule Implements
Rev 2501.01 – Rev 2501.09, Rev 2501.10 (repeal); Rev 2501.10 – Rev 2501.15 (formerly Rev 2501.11 – Rev 2501.16), and Rev 2501.16 (formerly Rev 2501.18)	RSA 21-J:3, XXI; RSA 21-J:1, II(a)
Rev 2502.01	RSA 84-A:5, I; RSA 84-A:9, I; RSA 84-C:5; RSA 84-C:9
Rev 2502.02 – Rev 2502.06	RSA 21-J:3, XXI; RSA 21-J:1, II(a)
Rev 2503.01 – Rev 2503.06	RSA 21-J:3, XXI; RSA 21-J:1, II(a)
Rev 2503.07	RSA 21-J:3, XXI; RSA 21-J:1, II(a); RSA 21-J:31, 32, 33 & 28
Rev 2504.01 – Rev 2504.04	RSA 21-J: 3, XXI; RSA 21-J:1, II(a)
Rev 2504.05	RSA 21-J:3, XXI; RSA 21-J:1, II(a); RSA 21-J:31, 32, 33 & 28
Rev 2505.01, Rev 2505.02, and Rev 2505.04 (repeal)	RSA 21-J:3, XXI; RSA 21-J:1, II(a)