

APPENDIX II-C

RULEMAKING NOTICE FORM

Notice Number _____

Rule Number _____

**Rev 303.01, and Rev
303.03**

1. Agency Name & Address:

**Department of Revenue Administration
109 Pleasant Street
P.O. Box 457
Concord, NH 03302-0457**

2. RSA Authority: **RSA 77-A:15, II**

3. Federal Authority: _____

4. Type of Action:

Adoption _____

Repeal _____

Readoption _____

Readoption w/amendment **X**

5. Short Title: **2022 Legislative Changes to Rev 303.03, and Editorial and Housekeeping Changes to Rev 303.01.**

6. (a) Summary of what the rule says and of any proposed amendments:

Chapter 241 (Laws of 2022) amends RSA 77-A:1, IV by moving the deduction of net operating loss carryover from the calculation of taxable business profits from before the application of New Hampshire apportionment to after the application of New Hampshire apportionment. Chapter 241 (Laws of 2022) also amends RSA 77-A:4, XIII by apportioning the net operating loss carryover only in the year the loss was incurred. Rev 303.03(d)(4) and Rev 303.03(f), on net operating loss deduction, are being readopted with an amendment that reflects these legislative changes in the rule.

Rev 303.01, on compensation for personal services of proprietor, partner, or member, is readopted with amendment to perform editorial and housekeeping amendments by replacing all references to “United States Internal Revenue Code” made in this section with “IRC” and to correct the reference in Rev 303.01(d) to the definition of earned income that is defined in Rev 301.13. The authority for Rev 303.01 is in RSA 77-A:4, III.

6. (b) Brief description of the groups affected:

The group affected are taxpayers of business profits tax.

6. (c) Specific section or sections of state statute or federal statute or regulation which the rule is intended to implement:

Rule	Specific State Statute the Rule Implements
Rev 303.01	RSA 21-J:13, I; RSA 77-A:4, III
Rev 303.03	RSA 77-A:4, XIII; RSA 77-A:15, II

APPENDIX II-C (Continued)

RULEMAKING NOTICE FORM - Page 2

7. Contact person for copies and questions including requests to accommodate persons with disabilities:

Name: **Keen Meng Wong** Title: **Tax Policy Counsel**
Address: **109 Pleasant Street** Phone #: **603-230-5017**
PO Box 457 Fax#: **603-230-5945**
Concord New Hampshire 03302-0457 E-mail: **Keen.m.wong@dra.nh.gov**

TTY/TDD Access: Relay NH 1-800-735-2964
or dial 711 (in NH)

8. Deadline for submission of materials in writing or, if practicable for the agency, in the electronic format specified: **Thursday, December 15, 2022**

Fax E-mail Other format (specify):

9. Public hearing scheduled for:

Date and Time: **Tuesday, December 6, 2022 @ 3pm.**

Place: **New Hampshire Department of Revenue Administration
Medical and Surgical Building
109 Pleasant Street, 2nd Floor Hearings Room
Concord, NH 03301**

*****The security procedures at the Department of Revenue Administration require all visitors to sign-in and present photo identification. If you plan on attending the public hearing, please bring photo identification with you.*****

10. Fiscal Impact Statement (Prepared by Legislative Budget Assistant)

FIS # 22:210, dated 10/28/2022

1. Comparison of the costs of the proposed rule(s) to the existing rule(s):

There is no difference in cost when comparing the existing rules to the proposed rules.

2. Cite the Federal mandate. Identify the impact on state funds:

No federal mandate, no impact on state funds.

3. Cost and benefits of the proposed rule(s):

There are no costs or benefits attributable to the proposed rules.

A. To State general or State special funds:

None.

B. To State citizens and political subdivisions:

None.

C. To independently owned businesses:

None.

11. Statement Relative to Part I, Article 28-a of the N.H. Constitution:

The rule does not mandate fees, or additional local expenditures on a political subdivision of the state and therefore does not violate Part I, Article 28-a of the NH Constitution.

Fiscal Impact Statement for Department of Revenue Administration rules governing 2022 Legislative Changes to Rev 303.03 and Editorial and Housekeeping Changes to Rev 303.01. [Rev 303.01 and Rev 303.03]

1. Comparison of the costs of the proposed rule(s) to the existing rule(s):

There is no difference in costs when comparing the proposed rules to the existing rules.

2. Cite the Federal mandate. Identify the impact on state funds:

No federal mandate, no impact on state funds.

3. Cost and benefits of the proposed rule(s):

A. To State general or State special funds:

None

B. To State citizens and political subdivisions:

None

C. To independently owned businesses:

None