



## **PRESS RELEASE**

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**Contact:**

Grace McInnis

603.644.3200 x18

[grace@montagnecom.com](mailto:grace@montagnecom.com)

### **NH Department of Revenue Modernized Tax Administration in NH in 2019**

*NHDRA reviews major initiatives from 2019 – going beyond the annual report*

**Concord, NH** – The [New Hampshire Department of Revenue Administration](#) recently published its [Fiscal Year 2019 Annual Report](#), which provides insight into the agency’s operational initiatives and data. NHDRA is wrapping up the 2019 calendar year having achieved major modernization and customer service milestones, including replacing decades-old technology with a new Revenue Information Management System, launching the first rollout of its online taxpayer portal, increasing efficiencies within the Taxpayer Services Division, and engaging community resources, such as associations and chambers of commerce, for direct-to-taxpayer information sharing.

“Upgrading technology was a huge focus for us in 2019, and with that came equipping our staff internally with the tools to effectively manage the new technology for the maximum benefit of our taxpayers,” said NHDRA Commissioner Lindsey Stepp.

Representing the next evolution for tax collection in New Hampshire, NHDRA launched its [Revenue Information Management System](#) (RIMS), which houses and consolidates taxpayer data for an all-inclusive view. On October 28, 2019, following a year of development in partnership with Fast Enterprises, NHDRA launched the taxpayer-facing end of RIMS, an online user portal called [Granite Tax Connect](#) (GTC). NHDRA launched GTC for the first phase of tax types, which includes the Meals & Rentals Tax, Medicaid Enhancement Tax and Nursing Facility Quality Assessment, and which impacted approximately 9,000 taxpayers. Using GTC, taxpayers and practitioners can file taxes electronically, schedule automated online payments, view

correspondence from NHDRA, check on the status of returns, payments, web requests, and more.

As new filing technology is implemented, NHDRA is retiring old methods, including e-File and telefile. Beginning on January 1, 2020, GTC will be the only method of electronic filing available to the three tax types included in the first rollout. Over the past several months, NHDRA has been focused on assisting taxpayers with creating GTC accounts and encouraging those who have not yet made the switch to do so. Due to NHDRA's proactive approach, nearly 2,200 users are already registered on GTC (as of late December). The next phase of the RIMS and GTC rollout is underway and the full implementation is anticipated to be complete by the end of 2021.

More information on RIMS and GTC is available at [www.revenue.nh.gov/gtc](http://www.revenue.nh.gov/gtc) and on page 34 of the annual report, available at [www.revenue.nh.gov/publications/reports](http://www.revenue.nh.gov/publications/reports).

In addition to modernizing software, NHDRA sought legislation during the 2019 Legislative Session to modernize both the Tobacco Tax and the Meals and Rentals Tax. Both pieces of legislation, which were crafted after NHDRA completed a comprehensive review of both laws, received legislative approval and take effect on January 1, 2020. Both bills substantially revised and reorganized the relevant statutes in an effort to simplify, clarify, and modernize the law to improve understanding for taxpayers and to streamline enforcement.

“Both taxes had been in place for a number of years with only a few minor updates made to the regulatory framework, despite many changes to the world in which these taxes are supposed to operate,” Commissioner Stepp said.

Anticipating a need for additional customer support during this period of modernization, NHDRA established its Division of Taxpayer Services in Fiscal Year 2018 to improve taxpayer experiences through efficient data processing and exemplary customer service. To reduce the percentage of documents processed manually, the Division continued to encourage taxpayers to submit files electronically. Due in large part to the Division of Taxpayer Services's proactive outreach efforts, just 3 percent of documents processed were done so manually in 2019.

The Taxpayer Services team also played a critical role in leading NHDRA through its all-hands-on-deck “rush” period during tax season. Each year, approximately 90 percent of taxpayers file their tax returns during the months of March and April. During these two months of 2019, NHDRA processed 113,086 tax returns and other documents – a 7 percent year-over-year increase.

Over the years, NHDRA has increased its frequency and methods of communicating information to taxpayers, including an opt-in email alert for various taxpayer groups, the creation of tax type-specific email addresses for direct communication to and from NHDRA, and new this year, engaging third-party organizations from around the state to share relevant NHDRA-related information with its members. During tax season, NHDRA launched a series of educational sessions in collaboration with select chambers of commerce to offer tax education and support for businesses, which supplemented NHDRA's online taxpayer guides and phone assistance program.

In preparing taxpayers for the launch of GTC, NHDRA engaged chambers of commerce and associations connected to each of the three tax types included in the first rollout. NHDRA worked in collaboration with the New Hampshire Hospital Association, New Hampshire Society of Certified Public Accountants, New Hampshire Lodging & Restaurant Association, and more than a dozen chambers of commerce throughout the state to share information with thousands of taxpayers through the chambers' and associations' newsletters, social media, e-mails and in-person meetings.

"We are constantly working to evolve and enhance our operations, protocols and procedures to ensure we are meeting the needs of the people and businesses of New Hampshire, and we are excited for what is ahead in 2020," said Commissioner Stepp.

#### **About the New Hampshire Department of Revenue Administration**

The New Hampshire Department of Revenue Administration (NHDRA) is responsible for fairly and efficiently administering the tax laws of the State of New Hampshire. NHDRA collects approximately 80% of New Hampshire's general taxes. During Fiscal Year 2019, NHDRA collected \$2.15 billion in taxes, most of which went to the New Hampshire General Fund and Education Trust Fund. NHDRA also provides assistance to municipalities in budgeting, finance and real estate appraisal.

NHDRA administers and collects the following taxes at the state level: Business Enterprise Tax, Business Profits Tax, Communications Services Tax, Interest and Dividends Tax, Meals and Rooms Tax, Medicaid Enhancement Tax, Nursing Facility Quality Assessment, Tobacco Tax, Taxation of Railroads, Utility Property Tax, Real Estate Transfer Tax; and the following taxes at the local level: Property Tax, Excavation Tax, Timber Tax. To learn more about NHDRA, please visit [www.revenue.nh.gov](http://www.revenue.nh.gov).

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