

## PRESS RELEASE For Immediate Release

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## NH Department of Revenue Reminds Taxpayers of Meals and Rooms Tax Rate Reduction

Starting October 1, the tax rate for the Meals and Rooms (Rentals) Tax will decrease from 9% to 8.5%

**Concord, NH** – The <u>New Hampshire Department of Revenue Administration</u> (NHDRA) is reminding operators and the public that starting October 1, 2021, the state's Meals and Rooms (Rentals) Tax rate will decrease by 0.5%, from 9% to 8.5%.

"To ensure a smooth transition to the new tax rate, we are reminding operators and taxpayers alike of this change," said Lindsey Stepp, Commissioner, NHDRA. "It is important for businesses of all sizes to be reminded of the change and to implement the new rate on October 1. Doing so will help ensure transparency with customers who will be expecting this lower rate and ensure compliance with state law."

The Meals and Rooms Tax is assessed upon patrons of hotels or any facility with sleeping accommodations, restaurants, and motor vehicle rentals. Beer, wine, and liquor served at a restaurant is also subject to this tax, whether or not food is served.

Businesses that utilize computers or other electronic systems, such as a point-of-sale (POS) system, will need to update the system to reflect this new 8.5% tax rate. Additionally, if the tax rate is reflected on menus, websites, or other business materials, businesses may need to update those materials. NHDRA is emphasizing the importance of alerting staff of this tax rate reduction as well to avoid potential confusion.

For questions about this tax rate change, please visit <u>Meals and Rooms Tax FAQ</u> or call Taxpayers Services at 603-230-5920.

## 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 2021, NHDRA collected \$2.4 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 <u>www.revenue.nh.gov</u>.

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