

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

**TECHNICAL INFORMATION RELEASE
TIR 2024-003 Date: September 18, 2024**

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.

2024 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 2024 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 645 (Chapter 263) recognizes a new business entity form, a Decentralized Autonomous Organization (DAO), and pursuant to new RSA chapter 301-B, creates a registry and imposes other requirements, including expressly subjecting the entity type to taxation.

Statute Added: RSA Chapter 301-B.

Effective Date: July 1, 2025.

HB 1525 (Chapter 245) delays the implementation of further reductions in the credit carryforward limits for BPT and BET of 250% of total tax liability and 100% of total tax liability from 2025 to 2029 and from 2027 to 2031, respectively.

Statute Amended: RSA 77-A:7, I(b)(2)-(3).

Effective Date: July 1, 2024.

MEALS AND ROOMS (RENTALS) TAX

HB 1191 (Chapter 190) exempts taxation on meals consumed at or provided by a restaurant, café, or other food service establishment that are redeemed through the Bureau of Elderly and Adult Services restaurant voucher program.

Statute Amended: RSA 78-A:6-c.

Effective Date: July 1, 2024.

SB 585 (Chapter 310) provides that, for purposes of a property tax lien filed against an operator for unpaid M&R taxes, an “operator” is any person who has actual or constructive managerial or custodial responsibility and does not include persons with a mere ownership interest.

Statute Added: RSA 78-A:21.

Effective Date: January 1, 2025.

MUNICIPAL AND PROPERTY

HB 202 (Chapter 210) requires local property tax abatements that determine a new market value to equalize that value using the previous tax year’s median ratio; also requires telecommunications poles and conduits to be valued at Replacement Cost New (RCN), depreciated, *without* applying the annual equalization ratio.

Statutes Added/Amended: RSA 76:16-f; RSA 72:8-c, I.

Effective Date: April 1, 2025.

HB 1055 (Chapter 183) permits charitable organizations to file a late application for a real or personal property tax exemption at any time prior to the date the local tax rate is approved.

Statute Amended: RSA 72:23.

Effective Date: April 1, 2025.

HB 1105 (Chapter 106) clarifies that the estimated local taxes to be raised under the local tax cap shall include the operating budget and all other warrant articles with a tax impact.

Statute Amended: RSA 32:5-b, I.

Effective Date: September 1, 2024.

HB 1154 (Chapter 13) clarifies that a veteran who meets the definition in RSA 21:50, who owns a home which has been adapted under two specified VA grant programs and is disabled within the meaning of 72:36-a, shall get a full exemption of property tax.

Statute Amended: RSA 72:36-a.

Effective Date: July 13, 2024.

SB 383 (Chapter 353) like HB 1105, this bill clarifies that the estimated local taxes to be raised under the local tax cap shall include the operating budget and all other warrant articles with a tax impact. This bill also adjusts caps based upon inflation and population changes and provides for adoption of a budget cap by school districts.

Statutes Added/Amended: RSA 32:5-b; RSA 32:5-d and 32:5-e,

Effective Date: October 1, 2024.

REAL ESTATE TRANSFER TAX

HB 68 (Chapter 1) adopts the Uniform Real Property Transfer on Death Act. The act allows an owner of real property to designate a beneficiary to automatically receive their real property upon their death without a probate procedure via a “transfer on death deed.” The bill also adds a new exception to the applicability of the Real Estate Transfer Tax (“RETT”). Per the new law, RETT shall not apply to a transfer on death deed where no consideration is exchanged.

Statute Added: RSA Chapter 563-D.

Statute Amended: RSA 78-B:2.

Effective Date: July 1, 2024.

TIMBER TAX

SB 514 (Chapter 19, Sections 1-2) Increases the amount of wood or wood chips a landowner can use for personal use or for land conversion purposes without being subject to the timber tax.

Statute Amended: RSA 79:1, II(b).

Effective Date: July 1, 2024.

MISCELLANEOUS

HB 458 (Chapter 318) reestablishes the Commission to Study the Assessing of Power Generation to:

- Determine the most accurate methodology for assessing power generation assets
- Compare the efficacy of DRA’s approach to municipal approaches for 59 power generation facilities
- Understand how other states assess these assets
- Create recommendations for a single point of assessment commensurate with market-based commercial property

The Commissioner of the DRA or designee shall be a member of this commission.

Statute Amended: RSA 72:8-f.

Effective Date: August 2, 2024; repealed November 1, 2024.

HB 1631 (Chapter 26) establishes the Commission to Study Revenue Alternatives to the Road Toll, Road Toll Registration Charges, and Revenue Alternatives to Vehicle Registration Fees to Fund Highway and Bridge Improvements due to the increased prevalence of electric vehicles and alternative fuels technologies. The Commissioner of DRA or designee shall be a member of the commission.

Statute Amended: RSA 21-J:49.

Effective Date: May 20, 2024; repealed December 1, 2026.

HB 1697 (Chapter 255) requires DRA to conduct a study of the issues related to lost timber tax revenue as a result of enrollments in carbon credit offset programs. Also requires the Department of Natural & Cultural Resources (DNCR) to create a registry of such enrollments.

Statute Amended: RSA 227-G:4.

Effective Date: July 19, 2024.

SB 433 (Chapter 291) establishes a committee to study the marketing of e-cigarettes and e-liquid, including the legality of available products, appropriate wholesale and retail compliance and tax collection system of the same. The committee is instructed to consult with DRA and others.

Statute Added: RSA 178:32.

Effective Date: July 26, 2024; repealed November 1, 2024.

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.