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**NEW HAMPSHIRE
2024
MEALS & RENTALS
(M&R) TAX BOOKLET**

RSA 78-A - REV 700

This booklet contains the following New Hampshire state tax forms and instructions necessary for the monthly and seasonal filing of the Meals & Rentals (M&R) Tax.

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**File Online Using
Granite Tax Connect (GTC)
at gtc.revenue.nh.gov/TAP/**

M&R TAX LICENSE REQUIREMENTS

The M&R Tax is a tax assessed upon those being charged for a taxable meal, sleeping accommodations, or vehicle rentals. A M&R Tax Operator's License is required by anyone engaging in the sale of taxable meals or the rental of rooms or motor vehicles, including those acting as agent or facilitator for an owner who engages in such. Questions concerning licensing requirements should be directed to the Department by calling Taxpayer Services at (603) 230-5920.

TAX RATE

A 8.5% tax is assessed upon patrons of restaurants and hotels on meals, alcohol and rooms. A 8.5% tax is also assessed on motor vehicle rentals.

WHEN TO FILE AND PAY TAX

You must file on or before the 15th of the following month (see schedule on Worksheet for exceptions). You may access Granite Tax Connect (GTC) 24 hours a day, 7 days a week. If paper filing, the postmark on your envelope does not constitute a timely filed return. The Department must **receive** paper returns no later than the due date. To avoid delays in processing paper returns, operators must use the current M&R Return provided by the Department and submit it with an original signature.

WORKSHEET AND RECORDKEEPING

Every operator is required to complete the M&R Tax Worksheet ("Worksheet") monthly. All records, **including the Worksheet**, shall be retained for three years from the due date of the tax or the date the return was filed, whichever is later. **RETAIN CONFIRMATIONS or PRINTED COPIES OF EACH RETURN FILED FOR YOUR RECORDS** as required by Rev 708.01.

TAXABLE RENT

Rent taxable under M&R tax shall include, but is not limited to, rent for motor vehicles and any type of shelter which provides sleeping accommodations such as vacation homes, hotels, houses, cottages, apartments, lodges of any kind, chalets, or rooms.

SEASONAL FILERS

Do not complete the "last day of business" section on a return unless you have actually ceased doing business entirely.

TAXES AS A PERSONAL DEBT TO STATE

All taxes required to be remitted by operators, and all increases, interest, and penalties on the taxes, become a personal debt of the operator from the time due and payable to the Commissioner of the Department of Revenue Administration, pursuant to RSA 78-A:20.

ELECTRONIC FILING

File online with GTC at gtc.revenue.nh.gov/TAP/. The portal allows users to file and amend returns, view balances, make payments, view correspondence, register new accounts, update information and more.

"CHECK 21 ACT"

When you provide a check as payment, you authorize the State of New Hampshire to either use the information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check. For inquiries, call (603) 230-5920.

ADA COMPLIANCE

Individuals who need auxiliary aids for effective communication in programs and services of the New Hampshire Department of Revenue Administration are invited to make their needs and preferences known. Individuals with hearing or speech impairments may call TDD Access: Relay NH 1-800-735-2964.

NOTE: You may be required to file New Hampshire business tax returns if your gross business income exceeds \$103,000. See www.revenue.nh.gov for details on Business Profits Tax and Business Enterprise Tax or call Taxpayer Services at (603) 230-5920.

**NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION
MEALS & RENTALS (M&R) TAX BOOKLET
GENERAL INFORMATION**

M&R TAX LICENSE REQUIREMENTS

The M&R Tax is a tax assessed upon those being charged for a taxable meal, sleeping accommodations, or vehicle rentals. A M&R Tax Operator's License is required by anyone engaging in the sale of taxable meals or the rental of rooms or motor vehicles, including those acting as an agent or facilitator for an owner who engages in such. Questions concerning licensing requirements should be directed to the Department by calling Taxpayer Services at (603) 230-5920.

WHO MUST FILE

Anyone engaging in the sale of taxable meals or the rental of rooms or motor vehicles is an M&R Operator. **Every operator must file a M&R Tax return.** Note: A room or rental facilitator is also defined as an operator.

WHEN TO FILE

Operators must report monthly, even when no tax is due. Approved seasonal operators must file returns for each month of their approved season. If filing a paper return, the Department must **receive** paper returns no later than the fifteenth day of the calendar month in which they are due. If this due date falls on a Saturday, Sunday, or legal holiday, then the returns and remittances due must be received no later than the next business day. The postmark on the envelope does not constitute a timely filed return. To avoid delays in processing paper returns, operators must use the current M&R Tax Return (DP-14) provided by the Department and submit it with an original signature.

INTEREST AND PENALTIES

Interest and penalties will be charged on all late filed and late paid returns. Payments are applied in accordance with Rev 2903.05.

WORKSHEET

Every operator is required to complete the Worksheet monthly. Operators filing electronically shall print a hard copy monthly. All records, including the Worksheet, shall be retained for 3 years from the due date of the tax or the date the return was filed, whichever is later.

ELECTRONIC FILING

To report the M&R Tax information electronically, the operator must use Granite Tax Connect (GTC) at gtc.revenue.nh.gov/TAP/. To create an account on GTC, you will need:

- An email address;
- An SSN, FEIN, or DIN;
- Account ID or License Number; and
- An account validation such as a Letter ID, filing history such as a line from your most recent return, or the amount of one of your last 3 payments to the Department. The Letter ID on your M&R License may not be used for account validation.

Follow the instructions on the GTC link. A confirmation number will be provided at the end of the electronic filing transactions. This number will provide a record of the transaction and should be retained within the operator's records. **Note:** A space is provided on the Worksheet to record this number.

ELECTRONIC PAYMENTS

Electronic payments can be made by ACH Debit Authorization, or credit card payments through GTC. Payments made from your checking or savings account will post within 3 business days from the payment date selected. However, your payment is credited to your M&R account as of the submission date regardless of how long the payment takes to process.

AMENDED RETURNS

For amended returns, check the "Amended Return" box if you are filing to make changes or corrections to a previously filed DP-14 for any ONE taxable period. Returns may be filed using GTC, on paper by using the M&R Tax Return (DP-14) contained in the booklet, online at our website at www.revenue.nh.gov, or by calling our Forms Line at (603) 230-5001. Questions concerning amended or final returns may be directed to Taxpayer Services at (603) 230-5920.

RETURN ELIGIBILITY REQUIREMENTS FOR 3% COMMISSION AND PAPER RETURN FILING

Per RSA 78-A:7,III operators are permitted to take a commission equal to 3% of the tax due if they meet all of the following requirements:

1. Keep the prescribed records;
2. File the return timely;
3. Pay the tax due timely; and
4. Follow the appropriate method of filing.

Operators may elect to file paper returns rather than file electronically; however, this election will result in the **loss of the 3% commission**, if taxable revenue was equal to or greater than \$25,000 in the prior calendar year. Operators are reminded to self-monitor their gross receipts to avoid loss of their commission and assessment of applicable penalties. Failure to keep adequate records will result in the loss of any 3% commissions taken.

CONSOLIDATED REPORTING

Operators having more than one license may request permission, in writing or on GTC under "Update License / Account Information," to file on a consolidated basis provided all licenses use the same federal employer identification number. The request to the Department shall include the following:

- Operator's designation of one license number to be the master license number;
- Business name and each license number for each member of the consolidated group;
- Address for each license; and
- A statement that the operator agrees to the requirements of Rev 706.05.

To qualify for consolidated reporting the operator agrees:

1. To notify the Department, in writing, of any additions or deletions to the consolidated group within ten (10) days of any change;
2. To continue to use the designated master license number unless written approval has been granted to change the designation;
3. To keep records readily available which show activity by month for each individual license;
4. To permit the Department to make an assessment against and collect from the master license for any member of the consolidated group when the required records are not made available; and
5. If the consolidated return is late or the payment is late, then interest and penalties shall be applied on that late return or payment.

Note: If you close out your primary license, contact the Collections Division by phone at (603) 230-5900 or by email at DRA.Collections@dra.nh.gov.

**NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION
MEALS & RENTALS (M&R) TAX BOOKLET
GENERAL INFORMATION**

QUARTERLY FILERS

Any operator who has been in business for a full year whose year-round business has an average monthly tax liability of less than \$100 per month may request permission, in writing, or on GTC under "Update License / Account Information," to file quarterly returns. For additional information, please refer to Rev 706.03 or call the Department at (603) 230-5920.

SEASONAL FILERS

Any operator whose business is not open year-round may request permission, in writing, or on GTC under "Update License / Account Information," to file only for the months operated during the year. Operators previously approved for seasonal filing need **NOT** reapply to file seasonally each year unless their season changes. For additional information, please refer to Rev 706.04 or call the Department at (603) 230-5920.

ENTITY CHANGE

Entity changes in businesses require a new license. Requests must be submitted through GTC or by Form CD-3 to obtain a new license.

UPDATES AND CHANGES

Operators must report changes any time there is a change in ownership, officer information, address, name, or business status. Report these changes through GTC or file a Form CD-100 to the Department.

FINAL RETURNS - REQUIRED EVEN IF NO TAX DUE

You must file a final return when you stop operating even if no taxes are owed. **Failure to file a final return could result in the assessment of estimated taxes for which you will be personally liable.** Filing the final return constitutes a voluntary surrender of your M&R Tax Operator's License; it will be considered closed upon receipt of the return and will not auto-renew. On your final return, check the reason the return is considered final and enter the last day of business in the space provided. Submit your final return along with payment for any tax due and a completed Form CD-100 to Taxpayer Services at PO Box 637, Concord, NH 03302-0637.

SHORT-TERM RENTALS

Tax must be collected and remitted on the rental charge of a short-term rental, even if the rental is only one day. The taxability of the rental is not affected by whether the property is classified as a summer home, seasonal rental, vacation home, hobby rental, time share, investment property, or business property. The taxability is also not affected by whether the property is owned by an individual, estate, trust, corporation, partnership, limited liability company, or other type of entity. A monthly or seasonal M&R Tax Operator's License is required and must be publicly displayed on the property. In addition, any advertisement for a short-term rental shall include, in the body of the ad, the M&R license number of the operator.

NEED FORMS?

To obtain additional forms, or forms not contained in this booklet, please call the Forms Line at (603) 230-5001 or visit our website at www.revenue.nh.gov.

NEED HELP?

Call the Department of Revenue Administration, Taxpayer Services at (603) 230-5920. Individuals with hearing or speech impairments may call TDD Access: Relay NH 1-800-735-2964.

**NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION
 MEALS & RENTALS (M&R) TAX WORKSHEET
 LINE-BY-LINE INSTRUCTIONS**

WORKSHEET LINE-BY-LINE INSTRUCTIONS

Prior to filing a return, all licensed operators must complete the M&R Tax Worksheet ("Worksheet") found in this booklet. This Worksheet will provide a historical record of the M&R Tax reported by your business each month during the year.

The Worksheet is to be maintained with your records for three (3) years from the due date of tax or date the return is filed, whichever is later. When using GTC, follow the instructions on the screen.

ENTER your business name on the line in the upper left corner of the Worksheet.

ENTER your six (6) digit M&R Tax Operator's License number in the block located in the upper left corner of the Worksheet.

RECEIPTS FROM MEALS & BEVERAGES

LINE 1

ENTER the receipts/sales for the period for items sold if the tax is not included in the price of the item sold.

LINE 2

MULTIPLY Line 1 by 0.085 and **ENTER** on Line 2.

LINE 3

ENTER the gross receipts/gross sales for the period for items if the tax is included in the price of the item sold.

LINE 4

MULTIPLY Line 3 by 0.07834 and **ENTER** on Line 4.

LINE 5

ENTER the TOTAL MEALS TAX, Line 2 plus Line 4. Round to the nearest dollar and **ENTER WHOLE DOLLARS ONLY**.

RECEIPTS FROM RENTALS

See RSA 78-A:3, VII for a list of taxable accommodations.

LINE 6

ENTER the total room rental receipts **MINUS** any tax-exempt amount described on Line 21.

LINE 7

ENTER the permanent resident receipts. (Receipts received from occupants having at least 185 days of continuous occupancy are not subject to the M&R Tax.)

LINE 8

ENTER the taxable room rental receipts, Line 6 **MINUS** Line 7.

LINE 9

ENTER the TOTAL ROOM RENTAL TAX. Check the rate which applies. Line 8 x 0.085 if tax excluded or 0.07834 if tax included. Round to the nearest dollar and **ENTER WHOLE DOLLARS ONLY**.

LINE 10

ENTER the total motor vehicle rental receipts minus any tax-exempt amount described on Line 21.

LINE 11

ENTER the TOTAL MOTOR VEHICLE RENTAL TAX. Check the rate which applies. Line 10 x 0.085 if tax excluded or 0.07834 if tax included. Round to the nearest dollar and **ENTER WHOLE DOLLARS ONLY**.

LINE 12

ENTER the total amount of tax, by **ADDING** Line 5 + Line 9 + Line 11 to calculate the total amount of the tax.

Note: Operators who substantially understate their tax on Line 12 may be assessed a penalty by the Department in the amount of 25% of any underpayment of the tax. A substantial understatement is one which exceeds the greater of 10% of the amount of tax (Line 12) or \$5,000.

DEDUCTIONS AND ADDITIONS

Commission of 3% may be taken by operators who timely file and pay in accordance with RSA 78-A:8. Commission **MAY NOT** be deducted by an operator not meeting the requirements of RSA 78-A:7, III. (See eligibility requirements for 3% commission and paper returns in General Instructions.)

LINE 13

MULTIPLY Line 12 by 0.03 and **ENTER** total on Line 13.

LINE 14

ENTER payments made in advance of the due date for the current tax period or any Credit Memo Letter you have received from the Department.

LINE 15

ENTER total deductions, Line 13 plus Line 14.

LINE 16

Returns not timely filed shall be subject to interest at an annual rate of 9% per annum on the tax due in 2024. The interest is calculated on the balance of tax due from the original due date to the date paid. **MULTIPLY** the number of days late by 0.000247 and the net tax due. **ENTER** this amount on Line 16.

Example: To calculate interest on a return 15 days late with a tax due of \$500, see below.

$$15 \text{ days late} \times 0.000247 \times \$500 = \underline{\$1.85 \text{ interest due}}$$

LINE 17

Tax due and not timely paid may have a penalty for failure to pay imposed. A penalty equal to 10% of any non-payment or underpayment of taxes shall be imposed if the operator fails to pay when due. If the failure to pay is due to fraud, the penalty shall be 50% of the amount of the non-payment or underpayment. **MULTIPLY** the Net Tax Due (Line 12 **MINUS** Line 15) by 10% and **ENTER** on Line 17.

Example: To calculate the 10% penalty for failure to pay on \$500 tax, see below.

$$\$500 \times 0.10 \text{ penalty for failure to pay} = \underline{\$50 \text{ penalty due}}$$

LINE 18

An operator failing to timely file a complete return may be subject to a penalty for failure to file equal to 5% of the tax due or \$10, whichever is greater, for each month or part thereof that the return remains unfiled or incomplete. The total amount of this penalty shall not exceed 25% of the balance of the tax due or \$50, whichever is greater. Calculate this penalty starting from the original due date of the return until the date a complete return has been filed.

MULTIPLY the Net Tax Due (Line 12 **MINUS** Line 15) by the percentage which applies and **ENTER** the penalty for failure to file on Line 18.

Example: To calculate the penalty for failure to file, see chart on next page.

**NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION
MEALS & RENTALS (M&R) TAX WORKSHEET
LINE-BY-LINE INSTRUCTIONS**

Tax is:	Due date:	When filed:	Failure to file penalty due:
\$500	2/15	2/16 - 3/15	\$25 (tax x 5%) or \$10 whichever is greater
\$500	2/15	3/16 - 4/15*	\$50 (tax x 10%) or \$20 whichever is greater
\$500	2/15	4/16 - 5/15	\$75 (tax x 15%) or \$30 whichever is greater
\$500	2/15	5/16 - 6/15	\$100 (tax x 20%) or \$40 whichever is greater
\$500	2/15	6/16 on or after	\$125 (tax x 25%) or \$50 whichever is greater

* If the return is due on 2/15 and filed on 3/16, the penalty is calculated at 10%: 5% for the first month, (2/16-3/15) and an additional 5% for each subsequent month or part of the second month not to exceed 25% of the balance of the tax due or \$50, whichever is greater.

LINE 19

ENTER the sum of Lines 16, 17, and 18.

LINE 20

ENTER the TOTAL PAYMENT DUE, Line 12 **MINUS** Line 15 **PLUS** Line 19. Round to the nearest dollar and **ENTER WHOLE DOLLARS ONLY**.

The amount entered here is the amount to be deducted from the account you have authorized for this purpose.

Note: For operators filing on GTC, payments made from your checking or savings account will post within 3 business days from the payment date selected. However, your payment is credited to your M&R account as of the submission date regardless of how long the payment takes to process. Credit card payments are processed as soon as the transaction is approved.

Note: For operators filing a paper return, Form DP-14, enclose a check payable to the State of New Hampshire for the amount shown on Line 20. If less than \$1.00, do not pay but still file the return. Electronic returns filed timely will have the payment, on Line 20, deducted from the operator's designated account.

LINE 21

ENTER the total M&R receipts which are exempt from taxation. For example: federal, NH state, and NH municipal employees on government business and having the proper documentation may be exempt from the payment of this tax. For further clarification, contact the Department at (603) 230-5920. Do not include permanent resident receipts on this line.

LINE 22

Electronic filers on GTC must hit submit at the end of the request to receive a confirmation number. This number is important to retain as a record of your submission and should be recorded on your worksheet in the block under the corresponding tax period.

IF YOU DID NOT RECEIVE A CONFIRMATION NUMBER, YOUR TRANSACTION WAS NOT SUBMITTED TO THE DEPARTMENT.

MEALS & RENTALS TAX WORKSHEET

2024

File electronically on Granite Tax Connect (GTC) at gtc.revenue.nh.gov/TAP/

BUSINESS NAME _____

LICENSE NUMBER

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Note:
(This is the Operator's six digit License number, not FEIN or SSN)

For the month of	January	February	March	April	May
Filing due date	02/15/2024	03/15/2024	04/15/2024	05/15/2024	06/15/2024

RECEIPTS FROM MEALS AND BEVERAGES

1	Tax Excluded Receipts				
2	Meals Tax @ 8.5% (Line 1 multiplied by .085)				
3	Tax Included Receipts				
4	Meals Tax @ 7.834% (Line 3 multiplied by .07834)				
5	TOTAL MEALS TAX (Line 2 plus Line 4)				

RECEIPTS FROM RENTALS

6	Room Rental Receipts				
7	Permanent Resident Receipts				
8	Taxable Room Rental Receipts Line 6 minus Line 7				
9	TOTAL ROOM RENTAL TAX Check rate used. <input type="checkbox"/> .085 <input type="checkbox"/> .07834 Line 8 multiplied by .085 or .07834 if tax included.				
10	Motor Vehicle Rental Receipts				
11	TOTAL MOTOR VEHICLE RENTAL TAX Check rate used. Line 10 multiplied by rate, <input type="checkbox"/> .085 if tax excluded, <input type="checkbox"/> .07834 if tax included. Round to the nearest whole dollar.				
12	TOTAL TAX (Line 5 plus Line 9 plus Line 11)				

DEDUCTIONS AND ADDITIONS

13	Commission (Line 12 multiplied by .03) See 3% commission requirement in General Instructions.				
14	Original return payment/credit memo/estimated payments				
15	TOTAL DEDUCTIONS (Line 13 plus Line 14)				
16	Interest (See instructions)				
17	Penalty for Failure to Pay (See instructions)				
18	Penalty for Failure to File (See instructions)				
19	TOTAL ADDITIONS (Sum of Lines 16, 17 & 18)				
20	TOTAL PAYMENT DUE (Line 12 minus Line 15 plus Line 19)				

21	TAX EXEMPT MEALS & RENTALS RECEIPTS (See instructions)				
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	January	February	March	April	May
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22	GTC CONFIRMATION NUMBER	_____	_____	_____	_____
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MEALS & RENTALS TAX WORKSHEET
(continued)

2024

File electronically on Granite Tax Connect
(GTC) at gtc.revenue.nh.gov/TAP/

June	July	August	September	October	November	December	TOTAL
07/15/2024	08/15/2024	09/15/2024	10/15/2024	11/15/2024	12/15/2024	01/15/2025	2024

RECEIPTS FROM MEALS AND BEVERAGES

1							
2							
3							
4							
5							

RECEIPTS FROM RENTALS

6							
7							
8							
9							
10							
11							
12							

DEDUCTIONS AND ADDITIONS

13							
14							
15							
16							
17							
18							
19							
20							

21								
	June	July	August	September	October	November	December	2024

22							
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**NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION
MEALS & RENTALS (M&R) TAX BOOKLET
WORKSHEET SAMPLE**

BUSINESS NAME XYZ Restaurant, Hotel & Auto Rentals

LICENSE NUMBER **0 9 9 9 9 9** Note: This is the operator's six digit license number, not FEIN or SSN.

For the month of

October

Filing due date

11/15/2024

RECEIPTS FROM MEALS & BEVERAGES

1	Tax Excluded Receipts	27,000
2	Meals Tax @ 8.5% (Line 1 multiplied by .085)	2,295
3	Tax Included Receipts	14,000
4	Meals Tax @ 7.834% (Line 3 multiplied by .07834)	1,097
5	TOTAL MEALS TAX (Line 2 plus Line 4)	3,392

RECEIPTS FROM RENTALS

6	Room Rental Receipts	10,100
7	Permanent Resident Receipts	100
8	Taxable Room Rental Receipts Line 6 minus Line 7	10,000
9	TOTAL ROOM RENTAL TAX Check rate used. <input checked="" type="checkbox"/> .085 <input type="checkbox"/> .07834 Line 8 multiplied by .085 or .07834 if tax included.	850
10	Motor Vehicle Rental Receipts	5,000
11	TOTAL MOTOR VEHICLE RENTAL TAX. Check rate used. Line 10 multiplied by rate, <input checked="" type="checkbox"/> .085 if tax excluded, <input type="checkbox"/> .07834 if tax included. Round to the nearest whole dollar.	425
12	TOTAL TAX (Line 5 plus Line 9 plus Line 11)	4,667

FOR EXAMPLE:
XYZ Restaurant, Hotel & Auto Rental, License # 099999, a sample company, has the following sales in the month of October, 2024:

Net Receipts/Sales \$27,000.00
(tax not included in sale price)

Gross Receipts/Sales \$14,000.00
(tax is included in sale price)

Room Rental Receipts..... \$10,100.00

Permanent Resident Receipts \$ 100.00

Motor Vehicle Rental Receipts \$ 5,000.00

DEDUCTIONS AND ADDITIONS

13	Commission (Line 12 multiplied by .03) See 3% commission requirement in General Instructions.	140
14	Advanced Payment or Credit Memo	0
15	TOTAL DEDUCTIONS (Line 13 plus Line 14)	140
16	Interest (See instructions)	0
17	Penalty for Failure to Pay (See instructions)	0
18	Penalty for Failure to File (See instructions)	0
19	TOTAL ADDITIONS (Sum of Lines 16, 17 & 18)	0

20	TOTAL PAYMENT DUE (Line 12 minus Line 15 plus Line 19)	4,527
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21	TAX EXEMPT MEALS & RENTALS RECEIPTS (See instructions)	0
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October

22	GTC CONFIRMATION NUMBER	<table border="1"><tr><td>0</td><td>0</td><td>0</td><td>0</td><td>9</td></tr><tr><td>9</td><td>9</td><td>9</td><td>9</td><td>9</td></tr></table>	0	0	0	0	9	9	9	9	9	9
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**NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION
 MEALS & RENTALS (M&R) TAX BOOKLET
 FREQUENTLY ASKED QUESTIONS (FAQ'S)**

ARE NON-PROFITS EXEMPT FROM THE M&R TAX?

No organizations, including non-profit organizations, are exempt from the M&R Tax. However, there are limited exemptions for the following:

- Meals & Rentals charges incurred in the course of official business by federal government employees, New Hampshire state, county, or municipal employees. The operator must receive a purchase order from the governmental entity and payment from the government's treasurer or through a government authorized credit card.
- Persons possessing diplomatic tax exempt cards issued by the US Department of State.
- Rents incurred as the result of the partial or complete destruction of a person's permanent residence.
- The part of a meal purchased with nutrition assistance benefits.
- Some schools and students.

If you have any questions about tax exempt sales, please refer to Rev 700 or call the Department at (603) 230-5920. The State of New Hampshire does not issue Meals & Rentals Tax exempt certificates.

WHAT RECORDS DO I NEED TO KEEP AND FOR HOW LONG?

Keep all records used to record and report your M&R Tax for three (3) years from the due date of the tax or the date the return was filed, whichever is later. This includes the worksheet, electronic confirmation numbers, cash receipt journals, cash disbursement journals, general ledgers, payroll records, complete cash register tapes, guest checks and registration cards, bank statements with all enclosures, and any other source document used in your accounting records. If you sell both taxable and non-taxable items, you must maintain records which justify the non-taxable sales.

DO I NEED A SEPARATE LICENSE FOR CATERING?

Yes, a license is required for each fixed location where meals are regularly served and a separate license where meals are occasionally served for events such as, but not limited to: banquets, weddings, barbecues, outings, fairs, picnics, private homes, etc.

HOW ARE BAKERY PRODUCTS TAXED?

All bakery products sold in quantities of less than six (6) from a restaurant are taxable. A bakery is classified as a restaurant if it sells taxable meals as defined in RSA 78-A:3, XXV, such as, but not limited to, coffee, soda, sandwiches, salads from the salad bar, and/or prepared foods. The taxability of bakery products is not affected by whether the bakery product is served to be eaten on premise or on a "to go" basis.

HOW SHOULD I HANDLE COUPONS AND DISCOUNT SALES?

The tax should be applied to the sale amount after the discount or coupon reduction has been taken if the coupon or discount was free. For more information refer to Rev 702.11 and 702.12.

ARE GRATUITIES AND SERVICE CHARGES TAXED?

Mandatory gratuity and service charges added to the charge for a meal or room may be taxed in certain circumstances. See RSA 78-A:6-a for more information.

ARE PARTY PLATTERS TAXABLE EVEN IF I AM NOT SERVING?

Yes, party platters such as, but not limited to, vegetable, meat, dessert, fruit, bakery and hors-d' oeuvres, are taxable whether delivered, picked up, served or not.

ARE FUNCTION ROOM RENTALS TAXABLE?

Yes, any type of room or space rental in a hotel (or any facility with sleeping accommodations) is subject to the tax.

WHAT CHARGES ASSOCIATED WITH AUTOMOBILE RENTALS ARE TAXABLE?

All charges included in the rental agreement are taxable including but not limited to airport fees, drop off fees and under age fees. Charges for fuel, insurance, or damages are not subject to the tax when separately stated in the agreement. If the motor vehicle lease or rental agreement does not exceed 180 consecutive days, the lease or rental is subject to the M&R Tax.

WHEN IS LONG TERM ROOM RENTAL SUBJECT TO THE M&R TAX?

Tax must be collected on all room rentals of less than 185 consecutive days. When a patron reaches the 185th consecutive day of occupancy, the operator must refund to the patron the tax monies that have been collected. The operator must then send to the Department verification of the refund (a copy of the canceled check or a signed statement from the patron that he/she has received the refund) along with documentation supporting the length of occupancy to the Taxpayer Services Division, PO Box 637, Concord, NH 03302-0637. The Department will then issue a M&R Tax Credit Approved Letter. Once the letter is received, the operator may use it to reduce a subsequent tax payment. The letter amount should be entered on Line 14 of the M&R Tax worksheet.

Note: Operators may not utilize any credit amount until they have received a M&R Tax Credit Approved Letter from the Department.

DO I NEED TO FILE A RETURN EVERY MONTH EVEN IF I HAVE NO ACTIVITY?

Yes, you must file a return even if you have had no activity during your scheduled reporting periods.

WHERE CAN I GET A COPY OF THE M&R TAX LAW AND RULES?

The M&R Tax law (RSA 78-A) and Administrative Rules (Chapter 700) are available through the Department's website at www.revenue.nh.gov or copies can be made for a fee by visiting the New Hampshire State Library or any New Hampshire Depository Library.

These questions are not intended to be inclusive of every situation. If you have any questions regarding the taxability of any product or rental, please contact the Department at (603) 230-5920.

**NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION
MEALS & RENTALS (M&R) TAX BOOKLET
OPERATOR RESPONSIBILITIES**

M&R OPERATOR'S TAX RESPONSIBILITIES

The most common taxes encountered by holders of M&R licenses are the M&R, the Business Profits, and the Business Enterprise Taxes. The following information regarding taxes is meant to provide a broad overview of these taxes, and is not intended to detail all of your obligations as a taxpayer.

For example, in addition to these taxes, some operators may be subject to the Interest and Dividends Tax or the Communications Services Tax, which are not discussed here. It should also be noted that the obligations and penalties described here apply only to operators who are natural persons; corporate entities may face other penalties for tax law violations.

The Department strongly encourages all operators to seek additional information regarding their tax obligations. Operators may also find it helpful to obtain the advice of a tax professional.

THE M&R TAX - RSA 78-A

The M&R tax is an 8.5% tax assessed upon patrons of restaurants and hotels, and upon renters of motor vehicles. The tax is paid by the consumer, and is collected by the operator of the business providing the food, alcohol, room, or motor vehicle to the consumer. Operators are legally obligated to collect the appropriate tax from the patrons and to remit all taxes collected in accordance with RSA 78-A.

Operators must file a M&R Tax Return and pay over the collected tax to the Department on a monthly basis. There are provisions for seasonal filings. The tax and the return must be paid to and filed with the Department on or before the 15th day of the month following the calendar month in which the tax was collected. For example, for taxes collected during the month of April, you must file a return and pay over those taxes to the Department by May 15. Operators who comply with the tax laws are permitted to retain 3% of the taxes. Those who fail to comply with the tax laws are not entitled to retain any portion of the taxes collected, and may face penalties for non-compliance. **As with failing to collect the tax, it is a Class B Felony to fail to truthfully account for and pay over the appropriate tax to the Department.**

As agents for the State, operators are required by law to collect and remit all M&R taxes due to the State on a monthly basis. Failure to file accurate returns and remit taxes to the Department will result in civil penalties and may be prosecuted as a Class B Felony.

Misappropriation of collected M&R tax money is a Class A Felony, punishable by 7-1/2 to 15 years in prison, in addition to other applicable criminal and civil penalties. This license issued by authority of RSA 78-A:4 and will expire on **June 30, 2025**.

Regardless of whether operators have had any activity during the month or quarter, they must file returns according to their approved filing status: every month of the approved season for seasonal filers; every quarter for quarterly filers; and every month of the year for all other operators.

RECORDKEEPING/RETENTION RSA 78-A:19 AND REV 708.01

Operators must maintain records for three (3) years. Revenue rule 708.01(e) provides that in the event the operator's records are not adequate to make an accounting to the State for the tax collection liability, the Department shall determine a tax liability based on the records available and deny the 3% commission available under RSA 78-A:7, III.



MEALS & RENTALS TAX RETURN

Amended Return

Business Name

License Number Due on the 15th day of the month following the close of the tax period.

Tax Period (MMYYYY)

IF THIS IS YOUR FINAL RETURN, FILE FORM CD-100 AND GIVE REASON:

1 - Business Discontinued Last Day of Business MMDDYYYY

2 - Change in Organization

3 - Business Sold

Receipts From Meals and Beverages

Round to the nearest whole dollar

1. Tax excluded receipts	1	<input style="width: 100px;" type="text"/>
2. Meals Tax at 8.5% (Multiply Line 1 by .085)	2	<input style="width: 100px;" type="text"/>
3. Tax included receipts	3	<input style="width: 100px;" type="text"/>
4. Meals Tax at 7.834% (Multiply Line 3 by .07834)	4	<input style="width: 100px;" type="text"/>
5. Total Meals Tax (Line 2 plus Line 4)	5	<input style="width: 100px;" type="text"/>

Receipts From Rentals

6. Room rental receipts	6	<input style="width: 100px;" type="text"/>
7. Permanent resident receipts	7	<input style="width: 100px;" type="text"/>
8. Taxable room rental receipts (Line 6 minus Line 7)	8	<input style="width: 100px;" type="text"/>
9. Total room rental tax (multiply Line 8 by .085 or .07834) Check rate used: <input type="checkbox"/> .085 <input type="checkbox"/> .07834	9	<input style="width: 100px;" type="text"/>
10. Motor vehicle rental receipts	10	<input style="width: 100px;" type="text"/>
11. Total motor vehicle rental tax (multiply Line 10 by .085 or .07834) Check rate used: <input type="checkbox"/> .085 <input type="checkbox"/> .07834	11	<input style="width: 100px;" type="text"/>
12. Total tax (Line 5 plus Line 9 plus Line 11)	12	<input style="width: 100px;" type="text"/>

Deductions and Additions

13. Commission (Line 12 multiplied by .03) (See 3% commission eligibility requirements in General Instructions)	13	<input style="width: 100px;" type="text"/>
14. Original return payment/credits/estimated payments	14	<input style="width: 100px;" type="text"/>
15. Total deductions (Line 13 plus Line 14)	15	<input style="width: 100px;" type="text"/>
16. Interest (see instructions)	16	<input style="width: 100px;" type="text"/>
17. Penalty for failure to pay (see instructions)	17	<input style="width: 100px;" type="text"/>
18. Penalty for failure to file (see instructions)	18	<input style="width: 100px;" type="text"/>
19. Total additions (sum of Lines 16, 17, & 18)	19	<input style="width: 100px;" type="text"/>
20. Total Due (Line 12 minus Line 15, plus Line 19) Make checks payable to State of New Hampshire	20	<input style="width: 100px;" type="text"/>
21. Tax exempt meals and rental receipts	21	<input style="width: 100px;" type="text"/>

Under penalties of perjury, I declare that I have examined this return and to the best of my belief it is true, correct and complete. (If prepared by a person other than the operator, this declaration is based on all information of which the preparer has knowledge.)

Signature (in ink) (Failure to sign may result in assessment of penalties) MMDDYYYY Phone Number

Signature (in ink) Preparer Other Than Operator MMDDYYYY Preparer Address, City, State, Zip

Print Preparer's Name Preparer's Tax ID Number



Meals & Rental Operators may file electronically on the Department's website at gtc.revenue.nh.gov/TAP/. If you have questions, call (603) 230-5920.

CHECK the AMENDED RETURN box if you are filing to make changes or corrections to a previously filed DP-14 for any ONE taxable period. If this is your final return, check the reason and enter the last day of business in the space provided. The original Meals & Rentals Tax Operator's License must be surrendered with your final return along with remittance of Form CD-100.

ENTER your business name on the line provided.

ENTER your **six (6)** digit Meals & Rentals Tax Operators License number in the block.

ENTER the taxable period.

LINE 1 - Enter the receipts/sales for the period for items sold if the tax **is not** included in the price of the item sold.

LINE 2 - Multiply Line 1 by .085 and **Enter** on Line 2.

LINE 3 - Enter the gross receipts/gross sales for the period for items if the tax is included in the price of the item sold.

LINE 4 - Multiply Line 3 by .07834 and **Enter** on Line 4.

LINE 5 - Enter the TOTAL MEALS TAX, Line 2 plus Line 4. Round to the nearest dollar and **ENTER WHOLE DOLLARS ONLY**.

LINE 6 - Enter the total room rental receipts minus any tax-exempt amount included on Line 21.

LINE 7 - Enter permanent resident receipts. (Receipts received from occupants having at least 185 days of continuous occupancy are not subject to the Meals & Rentals Tax.)

LINE 8 - Enter the taxable room rental receipts, Line 6 minus Line 7.

LINE 9 - Enter the TOTAL ROOM RENTAL TAX. Check the rate which applies. Multiply Line 8 by rate, .085 if tax excluded or .07834 if tax included. Round to the nearest dollar and **ENTER WHOLE DOLLARS ONLY**.

LINE 10 - Enter the total motor vehicle rental receipts minus any tax-exempt amount included on line 21.

LINE 11 - Enter the TOTAL MOTOR VEHICLE RENTAL TAX. Check the rate which applies. Multiply Line 10 by rate, .085 if tax excluded or .07834 if tax included. Round to the nearest dollar and **ENTER WHOLE DOLLARS ONLY**.

LINE 12 - Enter the total amount of tax, by adding Line 5 plus Line 9 plus Line 11 to calculate the total amount of the tax.

NOTE: Operators who substantially understate their tax on Line 12 may be assessed a penalty by the Department in the amount of 25% of any underpayment of the tax. A substantial understatement is one which exceeds the greater of 10% of the correct tax liability or \$5,000.

LINE 13 - Multiply Line 12 by .03 and **Enter** total on Line 13. A commission of 3% on total amount of tax due MAY NOT be deducted by an operator not meeting the requirements of RSA 78-A:7, III or RSA 78-A:8. (See eligibility requirements for 3% commission and paper returns in General Instructions of the Meals & Rentals Tax Booklet.)

LINE 14 - Enter payments made in advance of the due date for the current tax period **or** for any Meals and Rentals Tax Credit Approval Letter you **received** from the Department.

LINE 15 - Enter total deductions, Line 13 plus Line 14.

LINE 16 - INTEREST: Interest is calculated on the balance of tax due from the original due date to the date paid. Multiply Tax due by number of days from due date to date tax was paid by daily rate decimal equivalent of 0.000247 for 2024.

LINE 17 - FAILURE TO PAY: A penalty equal to 10% of any nonpayment or underpayment of taxes shall be imposed if the taxpayer fails to pay when due. If the failure to pay is due to fraud, the penalty shall be 50% of the amount of the nonpayment or underpayment.

LINE 18 - FAILURE TO FILE: A taxpayer failing to timely file a complete return will be subject to a penalty equal to 5% of the tax due or \$10, whichever is greater, for each month or part thereof, that the return remains unfiled. The total amount of this penalty shall not exceed 25% of the balance of tax due or \$50, whichever is greater. Calculate this penalty starting from the original due date of the return until the date a complete return has been filed.

LINE 19 - Enter the total of Lines 16 through 18 to calculate the total additions to tax.

LINE 20 - Enter the total due (Line 12 minus Line 15 plus Line 19).

LINE 21 - Enter tax exempt Meals & Rentals receipts other than permanent resident receipts reported on line 7.

SIGNATURES

The return must be signed in ink and dated by the taxpayer. If the return was completed by a paid preparer, then the preparer must also sign in ink and date the return. The preparer must also enter their federal preparer tax identification number and complete address.