Senate Ways and Means Committee

Sonja Caldwell 271-2117

HB 1090-FN, relative to meals and rooms taxes.

Hearing Date: April 1, 2026

Members of the Committee Present: Senators Lang, Murphy, Sullivan, Rosenwald and Fenton

Members of the Committee Absent : None

Bill Analysis: This bill creates a flat tax rate on meals.

Sponsors:
Rep. Spahr

Who supports the bill: No one

Who opposes the bill: Mike Somers (NHLRA), Cory Stone

Who is neutral on the bill: No one

Summary of testimony presented:

Sen. Murphy introduced the bill in the absence of any sponsors.

Mike Somers – NH Lodging and Restaurant Association

- Mr. Somers expressed concern about the rounding of just the tax.
- He thought the intent of the bill was good and would be supportive if the rounding was done on the total bill.
- With the retirement of the penny, many states are adopting language that would allow you to round up or down on a total, gross bill.
- The problem for some of their businesses is that their point-of-service (POS) systems are not able to be programmed to round just the tax on just the meals. He gave an example of a hotel that has a restaurant; they would have to round on just the meal in the restaurant, but not on the room rental. This will create problems for businesses.
- He does think the issue is worthy of further study. If the committee decides to take action, the industry would like to see rounding allowed on a gross bill for all goods and services provided, and to round the entirety of the tax up.

Currently, under the meals and rooms tax, when they file their taxes,they have to round to the nearest dollar.

- He reiterated that the rounding should be on the gross bill, not on just the tax and not on just the meals.
- General feedback from the industry is this would be impossible to implement for those with older POS systems. Even newer POS systems do not have this capacity built in.

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Date Hearing Report completed: April 2, 2026