

HB 1102-FN - AS INTRODUCED

2026 SESSION

26-2492
07/05

HOUSE BILL ***1102-FN***

AN ACT increasing the research and development tax credit cap.

SPONSORS: Rep. Janigian, Rock. 25

COMMITTEE: Ways and Means

ANALYSIS

This bill:

- I. Raises the aggregate value of all research and development tax credits that can be claimed.
- II. Raises the hard cap on the research and development tax credit an entity can claim.

Explanation: Matter added to current law appears in ***bold italics***.
Matter removed from current law appears ~~[in brackets and struckthrough.]~~
Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Twenty-Six

AN ACT increasing the research and development tax credit cap.

Be it Enacted by the Senate and House of Representatives in General Court convened:

- 1 1 Taxation; Business Profits Tax; Credits. Amend RSA 77-A:5, XIII (a)(1)-(2) to read as follows:
2 (1) The aggregate of tax credits issued by the commissioner to all taxpayers claiming
3 the credit shall not exceed [~~\$7,000,000~~] **\$10,000,000** for any fiscal year.
4 (2) Each credit shall be used to offset the taxpayer's tax liability within the
5 subsequent 5 tax years. The amount of the credit shall be the lesser of:
6 (A) Ten percent of the excess of the qualified manufacturing research and
7 development expenses for the taxable year over the base amount;
8 (B) The proportional share of the maximum aggregate credit amount allowed in
9 subparagraph (1);
10 (C) [~~\$50,000~~] **\$100,000**.
11 2 Effective Date. This act shall take effect July 1, 2026.

**HB 1102-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT increasing the research and development tax credit cap.

FISCAL IMPACT: This bill does not provide funding, nor does it authorize new positions.

Estimated State Impact				
	FY 2026	FY 2027	FY 2028	FY 2029
Revenue	\$0	\$0	Maximum Decrease of \$3,000,000	Indeterminable Decrease
<i>Revenue Fund(s)</i>	General Fund and Education Trust Fund			
Expenditures*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			
Appropriations*	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			

*Expenditure = Cost of bill

*Appropriation = Authorized funding to cover cost of bill

METHODOLOGY:

This bill increases the aggregate of Research and Development tax credits (R&D) to be claimed in any fiscal year from \$7,000,000 to \$10,000,000. The proposed legislation would also increase the maximum credit amount allowed per entity from \$50,000 to \$100,000, effective January 1, 2026. R&D tax credit applications must be received by June 30 following the tax year during which the research and development occurred.

The increase in the R&D tax credit will decrease Business Enterprise Tax (BET) and Business Profits Tax (BPT) revenue by an indeterminable amount. This credit is first applied to the BPT and any unused portion of the credit is then applied to the BET. Additionally, the taxpayer is able to carry forward the R&D tax credit for up to 5 years. The Department is not able to determine when a credit would be claimed to predict the fiscal impact of this bill. The maximum impact in the first year is \$3,000,000 if the full amount of the tax credit increase is claimed, however any subsequent years are indeterminable as it is not known when carry forward credits would be used.

The Department would need to update all necessary tax return forms and electronic management systems related to this bill, however the Department does not anticipate this bill will result in any additional costs that could not be absorbed in its operating budget.

AGENCIES CONTACTED:

Department of Revenue Administration

[As this bill is essentially identical to SB 276 as amended, 2025 Session, we used the same information the agency provided at that time to prepare the above fiscal note]