

SB 158-FN - AS INTRODUCED

2025 SESSION

25-0944

07/05

SENATE BILL ***158-FN***

AN ACT raising the funding cap for the New Hampshire community development finance authority.

SPONSORS: Sen. Innis, Dist 7; Sen. Ward, Dist 8; Sen. Lang, Dist 2; Sen. Fenton, Dist 10; Sen. Perkins Kwoka, Dist 21; Sen. Watters, Dist 4; Sen. Rosenwald, Dist 13; Rep. Mooney, Hills. 12

COMMITTEE: Ways and Means

ANALYSIS

This bill raising the funding cap for the New Hampshire community development finance authority.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.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 Five

AN ACT raising the funding cap for the New Hampshire community development finance authority.

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

1 1 Public Safety and Welfare; Community Development Finance Authority; New Investment Tax
2 Credit. Amend RSA 162-L:10, IV(b) to read as follows:

3 (b) Contributions received by the authority for which credit is to be taken shall not
4 exceed **\$10,000,000** [~~\$5,000,000~~] in any state fiscal year. Contributions received by the authority in
5 excess of **\$10,000,000** [~~\$5,000,000~~] in any state fiscal year shall not be eligible for credit in such
6 fiscal year but may be carried forward to the next succeeding fiscal year or years and shall be given
7 priority in determining the total contributions eligible for credit in such fiscal year.

8 2 Effective Date. This act shall take effect July 1, 2025.

**SB 158-FN- FISCAL NOTE
AS INTRODUCED**

AN ACT raising the funding cap for the New Hampshire community development finance authority.

FISCAL IMPACT:

Estimated State Impact				
	FY 2025	FY 2026	FY 2027	FY 2028
Revenue	\$0	Maximum Decrease of \$3,750,000	Indeterminable Decrease	Indeterminable Decrease
<i>Revenue Fund(s)</i>	General Fund, Education Trust Fund and Insurance Premium Tax Revenue			
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 cap on contributions received by the Community Development Finance Authority, for which a credit can be taken, from \$5 million to \$10 million. Credits are equal to 75 percent of the contribution and can be applied individually or in combination to the Business Profits Tax (BPT), Business Enterprise Tax (BET), and the Insurance Premium Tax. Any credit or unused portion of a credit can be carry forward for no more than 5 succeeding years and shall not exceed \$1 million in any given tax year.

If the additional \$5 million contributions are made in FY 2026, the maximum decrease in revenue in FY 2026 would be \$3,750,000; however the decrease in future years is indeterminable and may exceed the \$3,750,000 reduction in revenue, as it is not known how many credits would be carry forward into future years.

The Community Development Finance Authority states though this bill does decrease revenue from the BPT, BET and Insurance Premium Tax, the increase contributions will leverage additional federal funds, result in economic activity that will generate revenue and result in new jobs. The Authority states it is difficult to capture the full impact of the added federal dollars

and increased economic activity related to the increase in the contribution amount, but it would benefit state, county, and local revenues.

AGENCIES CONTACTED:

Treasury Department and Community Development Finance Authority