SB 183-FN - AS INTRODUCED

2017 SESSION

17-0840
10/06

SENATE BILL ***183-FN***

AN ACT establishing the New Hampshire technology sector marketing tax credit.

SPONSORS: Sen. Innis, Dist 24; Rep. Abrami, Rock. 19

COMMITTEE: Ways and Means

ANALYSIS

This bill establishes a technology sector marketing tax credit against business taxes for businesses recruiting and employing skilled technology sector professionals. The 2-year program is administered by the community development finance authority.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

17-0840
10/06

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Seventeen

AN ACT establishing the New Hampshire technology sector marketing tax credit.

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

1 New Section; Community Development Finance Authority; Technology Sector Marketing Tax Credits. Amend RSA 162-L by inserting after section 10 the following new section:

162-L:10-a Technology Sector Marketing Tax Credits.

I. A tax credit equal to 75 percent of the contribution made to the authority by an eligible business under paragraph IV during the business' tax year shall be allowed against any of the following individually or in combination:

(a) Taxes imposed by RSA 77-A.

(b) Taxes imposed by RSA 400-A.

(c) Taxes imposed by RSA 77-E.

II. Credits provided by this section applied against the liabilities imposed by RSA 400-A and RSA 77-E shall be deemed to be taxes paid for the purpose of RSA 77-A:5, III and X, respectively.

III. The credit or any unused portion thereof may be carried forward for no more than 5 succeeding years, but the total amount of credits awarded by the authority shall not exceed $1,000,000 in any given tax year.

IV. The credit provided by this section shall be available to businesses chosen by the New Hampshire High Tech Council and certified to the authority as businesses that create employment for skilled and educated technology professionals to move to this state for a career in the technology sector. The availability of the credit shall be advertised as a targeted technology talent resource and marketing campaign that will position and promote New Hampshire as a viable and attractive place to work in the technology field.

2 Tax Expenditures; Reference Deleted. Amend RSA 71-C:2 to read as follows:

71-C:2 Tax Expenditures Specified. Tax expenditures include, but may not be limited to, the community development finance authority investment tax credit as computed in RSA 162-L:10; ***the technology sector marketing tax credit under RSA 162-L:10-a;*** the economic revitalization zone tax credit as computed in RSA 162-N:6; the research and development tax credit under RSA 77-A:5, XIII; the Coos county job creation tax credit under RSA 77-E:3-c; the education tax credit as computed in RSA 77-G:4; and the weighted apportionment factors under RSA 77-A:3, II(a).

3 Repeal; 2019. RSA 162-L:10-a, relative to the technology sector marketing tax credit, is repealed.

4 Tax Expenditures; Reference Deleted. Amend RSA 71-C:2 to read as follows:

71-C:2 Tax Expenditures Specified. Tax expenditures include, but may not be limited to, the

community development finance authority investment tax credit as computed in RSA 162-L:10;[~~ the technology sector marketing tax credit under RSA 162-L:10-a;~~] the economic revitalization zone tax credit as computed in RSA 162-N:6; the research and development tax credit under RSA 77-A:5, XIII; the Coos county job creation tax credit under RSA 77-E:3-c; the education tax credit as computed in RSA 77-G:4; and the weighted apportionment factors under RSA 77-A:3, II(a).

5 Effective Date.

I. Sections 3 and 4 of this act shall take effect July 1, 2019.

II. The remainder of this act shall take effect July 1, 2017.

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SB 183-FN- FISCAL NOTE
AS INTRODUCED

AN ACT establishing the New Hampshire technology sector marketing tax credit.

FISCAL IMPACT: [X] State [ ] County [ ] Local [ ] None

	Estimated Increase / (Decrease)			
STATE:	**FY 2018**	**FY 2019**	**FY 2020**	**FY 2021**
Appropriation	$0	$0	$0	$0
Revenue	Indeterminable Decrease	Indeterminable Decrease	Indeterminable Decrease	Indeterminable Decrease
Expenditures	$0	$0	$0	$0
Funding Source:	[X] General	[X] Education	[ ] Highway	[ ] Other

METHODOLOGY:

This bill establishes the technology sector marketing tax credit under RSA 162-L10-a to be used against taxes imposed by the Business Profits Tax, Business Enterprise Tax, or Insurance Premium Tax, or any combination of those taxes. The tax credit is equal to 75 percent of the contribution made to the Community Development Finance Authority by an eligible business as determined by the New Hampshire High Tech Council, with the aggregate of tax credits awarded to not exceed $1,000,000 in any given tax year. The credit or any unused portion of the credit may be carried forward for 5 succeeding years. The bill is effective July 1, 2017 and sunsets July 1, 2019. It is assumed any unused tax credits would be available for use after the sunset date. The Department of Revenue Administration states this bill will decrease revenue by an indeterminable amount based on the amount of tax credits issued and when they are used by the taxpayers. The Department states it can administer this bill with no additional costs.

AGENCIES CONTACTED:

Department of Revenue Administration and Community Development Finance Authority