

HB 483-FN - AS INTRODUCED

2025 SESSION

25-0775

07/02

HOUSE BILL            **483-FN**

AN ACT                relative to the definition of a scholarship organization for purposes of the education tax credit.

SPONSORS:            Rep. Luneau, Merr. 9; Rep. Damon, Sull. 8; Rep. Cornell, Hills. 22; Rep. Fellows, Graf. 8; Rep. Woodcock, Carr. 1

COMMITTEE:          Ways and Means

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ANALYSIS

This bill provides that, for purposes of the education tax credit, a qualifying scholarship organization shall be incorporated in this state.

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Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

*In the Year of Our Lord Two Thousand Twenty Five*

AN ACT                    relative to the definition of a scholarship organization for purposes of the education tax credit.

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

1            1 Education Tax Credit; Definition of Scholarship Organization. Amend RSA 77-G:1, XVII to  
2 read as follows:

3            XVII. "Scholarship organization" means a charitable organization incorporated [~~or qualified~~  
4 ~~to do business~~] in this state that:

5                    (a) Is exempt from federal income taxation pursuant to section 501(c)(3) of the Internal  
6 Revenue Code;

7                    (b) Complies with applicable state and federal antidiscrimination and privacy laws;

8                    (c) Is registered with the director of charitable trusts; and

9                    (d) Has been approved by the department of revenue administration for the purpose of  
10 issuing scholarships as provided in this chapter.

11            2 Effective Date. This act shall take effect July 1, 2025.

**HB 483-FN- FISCAL NOTE  
AS INTRODUCED**

AN ACT relative to the definition of a scholarship organization for purposes of the education tax credit.

**FISCAL IMPACT:**

<b>Estimated State Impact</b>				
	<b>FY 2025</b>	<b>FY 2026</b>	<b>FY 2027</b>	<b>FY 2028</b>
<b>Revenue</b>	\$0	Indeterminable	Indeterminable	Indeterminable
<i>Revenue Fund(s)</i>	General Fund and Education Trust Fund			
<b>Expenditures*</b>	\$0	\$0	\$0	\$0
<i>Funding Source(s)</i>	None			
<b>Appropriations*</b>	\$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 amends the Education Tax Credit (RSA 77-G) to require only charitable organizations incorporated in New Hampshire may qualify as a scholarship organization. The Education Tax Credit program has only one approved scholarship organization for the 2024-2025 program year. This organization is incorporated outside of New Hampshire but is in good standing with the State. If this bill were to be adopted, this organization would be disqualified for the 2025-2026 program year. If there were no qualified scholarship organizations, this could result in a positive revenue impact on the Business Enterprise Tax (BET) and Business Profits Tax (BPT).

The Education Tax Credit allows a business organization, business enterprise, or individual to make money contributions (up to \$600,000) to approved scholarship organizations and claim a tax credit against their BPT or BET or a portion of each, equal to 85% of their contribution. The aggregate amount of tax credits awarded in any given Education Tax Credit program year is \$5.1 million. The Education Tax Credit has a 5-year carryforward provision as it applies to the BPT and/or BET.

The fiscal impact of this bill is indeterminable as any positive impact of not having a qualified scholarship organization on the business taxes could be offset by any tax credits that have been carryforward.

**AGENCIES CONTACTED:**

Department of Revenue Administration