

1 Committee of Conference Report on HB 155-FN, reducing the rate of the business enterprise tax.

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3 Recommendation:

4 That the House recede from its position of nonconcurrence with the Senate amendment, and  
5 concur with the Senate amendment, and

6 That the Senate and House adopt the following new amendment to the bill as amended by the  
7 Senate, and pass the bill as so amended:

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9 Amend the bill by replacing all after the enacting clause with the following:

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11 1 Business Enterprise Tax; Returns. Amend RSA 77-E:5, I to read as follows:

12 I. Every business enterprise having gross business receipts in excess of [~~\$250,000~~] **\$400,000**  
13 as defined by RSA 77-E:1, X, during the taxable period or the enterprise value tax base of which is  
14 greater than [~~\$250,000~~] **\$400,000** shall, on or before the fifteenth day of the third month in the case  
15 of enterprises required to file a United States partnership tax return, the fifteenth day of the fifth  
16 month in the case of enterprises required to file a United States exempt organization return, and the  
17 fifteenth day of the fourth month in the case of all other business enterprises, following expiration of  
18 its taxable period, make a return to the commissioner. For tax years beginning January 1, [~~2015~~]  
19 **2029**, the commissioner shall biennially adjust these threshold amounts rounding to the nearest  
20 \$1,000 based on the 2-year (24-month) percentage change in the Consumer Price Index for All Urban  
21 Consumers, Northeast Region as published by the Bureau of Labor Statistics, United States  
22 Department of Labor using the amount published for the month of June in the year prior to the start  
23 of the tax year. All returns shall be signed by the business enterprise or by its authorized  
24 representative, subject to the pains and penalties of perjury and the penalties provided in RSA 21-  
25 J:39.

26 2 Appropriation; Department of Health and Human Services. The sum of \$2,500,000 for the  
27 biennium ending June 30, 2027, is hereby appropriated to the department of health and human  
28 services for the purpose of supporting per-diem nursing facility rates paid out of 05-95-48-482010-  
29 2152-504. All funds allocated to the department for this purpose shall be spent during the biennium.  
30 The department is authorized to accept and expend any matching federal funds without prior  
31 approval of the fiscal committee. The governor is authorized to draw a warrant out of any money in  
32 the treasury not otherwise appropriated.

33 3 New Section; Business Enterprise Tax; Automatic Rate Reduction Upon Certified Business  
34 Tax Surplus. Amend RSA 77-E by inserting after section 2 the following new section:

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1           77-E:2-a Automatic Rate Reduction Upon Certified Business Tax Surplus.

2           I. In this section:

3               (a) "Combined business tax revenue" means the total unrestricted revenue received by  
4 the state from the business profits tax under RSA 77-A and the business enterprise tax under RSA  
5 77-E for a completed fiscal year, net of refunds, as reported in the audited annual comprehensive  
6 financial report.

7               (b) "Combined business tax plan" means the sum of the final official revenue estimates  
8 for the business profits tax and the business enterprise tax as adopted in the biennial operating  
9 budget and any revisions enacted in statute prior to the close of the applicable fiscal year.

10              (c) "Business tax surplus" means the amount, if any, by which combined business tax  
11 revenue exceeds the combined business tax plan for the same fiscal year.

12           II. Not later than December 31 following the close of each fiscal year, the legislative budget  
13 assistant, based upon the audited annual comprehensive financial report prepared by the  
14 department of administrative services and the official revenue reports issued by the department of  
15 revenue administration, shall certify in writing to the governor, the speaker of the house of  
16 representatives, the president of the senate, the chairs of the house ways and means, senate ways  
17 and means, house finance, and senate finance committees, and the commissioner of the department  
18 of revenue administration:

19               (a) The combined business tax revenue for the completed fiscal year;

20               (b) The combined business tax plan for the same fiscal year; and

21               (c) The business tax surplus, if any, calculated under this section.

22           III. For each full \$100,000,000 of business tax surplus certified under paragraph II, and  
23 subject to the conditions and floor set forth in paragraphs IV through VI, the rate of tax imposed  
24 under RSA 77-E:2 shall be reduced by 0.05 percentage points, effective for taxable periods beginning  
25 on or after January 1 of the calendar year immediately following the calendar year in which the  
26 certification is issued.

27           IV.(a) No rate reduction shall take effect under this section if any of the following conditions  
28 are true at the close of the applicable fiscal year:

29               (1) The revenue stabilization reserve account established under RSA 9:13-e is below  
30 its statutory cap;

31               (2) Combined general fund and education trust fund unrestricted revenue for the  
32 applicable fiscal year is less than the official revenue plan for those funds; or

33               (3) Combined business tax revenue for the applicable fiscal year is less than  
34 combined business tax revenue for the immediately preceding fiscal year.

35               (b) If any of these conditions causes a reduction to be suspended, the certified business  
36 tax surplus shall carry forward and be applied in the next succeeding fiscal year in which none of  
37 these conditions is true.

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1           V. The rate of tax imposed under RSA 77-E:2 shall not be reduced below 0.25 percent by  
2 operation of this section. Upon the rate reaching 0.25 percent, this section shall cease to operate,  
3 and any further reduction in the rate shall require an affirmative enactment of the general court.

4           VI. Not later than 60 days following each certification under paragraph II, the commissioner  
5 of the department of revenue administration shall publish notice of any rate reduction taking effect  
6 under this section and shall issue updated forms and guidance to taxpayers. Required updates to  
7 administrative rules shall be exempt from the procedures in RSA 541-A to the extent necessary to  
8 give timely effect to a rate reduction under this section.

9           4 Effective Date.

10           I. Section 2 of this act shall take effect June 30, 2026.

11           II. The remainder of this act shall take effect January 1, 2027.

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The signatures below attest to the authenticity of this Report on HB 155-FN, reducing the rate of the business enterprise tax.

Conferees on the Part of the Senate

Conferees on the Part of the House

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Sen. Lang, Dist. 2

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Rep. Janigian, Rock. 25

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Sen. Sullivan, Dist. 18

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Rep. Ulery, Hills. 13

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Sen. Rosenwald, Dist. 13

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Rep. Sweeney, Rock. 25

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Rep. Ford, Rock. 3

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2026-2088-CofC

AMENDED ANALYSIS

This bill:

I. Raises the amount of income needed before businesses are required to file a business enterprise tax return with the department of revenue administration.

II. Appropriates funds to the department of health and human services for certain nursing facilities.

III. Reduces the rate of the business enterprise tax in the event of certain business tax revenue surpluses.