

CHAPTER 28  
HB 1531 – FINAL VERSION

26Mar2014... 0731h

2014 SESSION

14-2460  
10/05

HOUSE BILL            **1531**

AN ACT                relative to establishing a joint committee on tax expenditure review and requiring tax expenditure and potential liability reports by the department of revenue administration.

SPONSORS:            Rep. Almy, Graf 13; Rep. Wallner, Merr 10; Rep. Major, Rock 14

COMMITTEE:          Ways and Means

---

AMENDED ANALYSIS

This bill establishes a joint committee on tax expenditure review to review all qualifying tax expenditures on a rotating basis and recommend continuance, amendment, or repeal of relevant provisions. The bill also requires an annual tax expenditure and potential liability report by the department of revenue administration.

-----

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                          Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.



**CHAPTER 28**  
**HB 1531 – FINAL VERSION**  
**- Page 2 -**

1 tax expenditure, and establish general criteria for the future evaluation of each such tax  
2 expenditure.

3         III. The joint committee shall file an initial report containing its determinations on or before  
4 November 1, 2014 with the speaker of the house, the senate president, the governor, and the  
5 commissioner of revenue administration. Every November 1 thereafter, the joint committee shall  
6 file a report with recommendations for proposed legislation, including identification and a review  
7 plan for any tax expenditures that are subsequently enacted or amended. Reports required by this  
8 section shall be made available to the general public on the general court's website.

9         71-C:4 Tax Expenditure and Potential Liability Report.

10         I. On or before December 15 of every fiscal year the commissioner of the department of  
11 revenue administration shall certify in a report to the general court and the governor an analysis of  
12 each of the past fiscal year's tax expenditures as identified in RSA 71-C:2, and other credits allowed  
13 under RSA 77, RSA 77-A, RSA 77-E, RSA 77-G, RSA 78, RSA 78-A, 78-B, RSA 82-A, RSA 83-E,  
14 RSA 84-A, RSA 84-C, and RSA 400-A.

15         II. The report shall be divided into the following parts:

16                 (a) Tax expenditures as determined by the joint committee on tax expenditure review  
17 under RSA 71-C:3;

18                 (b) Potential liabilities against the state's revenues, specifically:

19                         (1) Other credits allowed under RSA 77, RSA 77-A, RSA 77-E, RSA 77-G, RSA 78,  
20 RSA 78-A, RSA 78-B, RSA 82, RSA 82-A, RSA 83-E, RSA 84-A, RSA 84-C, and RSA 400-A against  
21 the business profits tax imposed by RSA 77-A; and

22                         (2) Credit carryovers from overpaid taxes.

23         III. The report shall include the total dollar amount allowed under each credit or factor  
24 during the previous fiscal year, the number of receiving entities, and the amount of the credit still  
25 available at the beginning of the current fiscal year. In the event that data is not available to  
26 calculate the remaining credit, the report shall provide an estimate and the method used to reach it.

27         IV. The report shall be made available to the general public on the department of revenue  
28 administration's website.

29         28:2 Repeal. RSA 77-A:5-a, relative to the tax expenditure report, is repealed.

30         28:3 Effective Date. This act shall take effect upon its passage.

31 Approved: May 23, 2014

32 Effective Date: May 23, 2014