

New Hampshire Department of Revenue Administration

Fiscal Note Quick Guide

19-0863

SB 93, including prepaid communications services as taxable under the communications service tax.

Senate Ways & Means

The proposed legislation expands the Communications Services Tax (CST), RSA 82-A, to prepaid communications services. It also sources both prepaid communications services and Voice over Internet Protocol (VoIP) to the place of primary use. The CST on prepaid communications services is collected and remitted by the retailer.

The Department assumes that the transfer from landlines to VoIP and mobile devices and the use of prepaid communications services will continue to grow.

The proposed legislation could be administered by the Department without any additional costs and takes effect July 1, 2019. It is applicable to taxable periods ending after June 30, 2019.

Lastly, the fiscal impact of the proposed legislation is indeterminable but would likely increase revenues to the General Fund. The Department has no way to know how much CST would be collected and remitted as a result of the proposed legislation's special rules for prepaid communications services and VoIP.