

**New Hampshire Department of Revenue Administration  
45 Chenell Drive, Concord, NH 03301**

**TECHNICAL INFORMATION RELEASE  
TIR 2007-003 July 3, 2007**

A Technical Information Release is designed to provide immediate information regarding tax laws administered by the Department or the policy positions of the Department as a service to taxpayers and practitioners. A Technical Information Release represents the position of the Department on the limited issues discussed herein based on current law and Department interpretation. For the current status of any tax law, practitioners and taxpayers should consult the source documents (i.e., Revised Statutes Annotated, Rules, Case Law, Session Laws, etc.). Questions should be directed to Customer Service at (603) 271-2191.

The purpose of this information release is to advise communications services retailers and taxpayers regarding the recent repeal of the \$12 exemption for residential customers.

**COMMUNICATIONS SERVICES TAX**

The legislature has repealed RSA 82-A:5, which exempted the first \$12 of the monthly gross charge for a residential customer's telephone exchange access and exchange service from the communications services tax, effective July 1, 2007. See HB 2-FN-A, sections 79 and 176, XVI.

Copies of the actual legislation may be obtained from: [www.gencourt.state.nh.us/legislation/2007/hb0002.html](http://www.gencourt.state.nh.us/legislation/2007/hb0002.html) or the NH State Library, 20 Park Street, Concord, NH 03301.

To facilitate the programming changes necessary by communications retailers and to apply the change as fairly to taxpayers as possible, the increased charge shall apply for billing periods beginning on and after July 1, 2007 or billing dates occurring on and after July 31, 2007, whichever ensures that no portion of June 2007 service is included in the bill.

**Example 1:** Communications Services Provider bills its residential customers on the 15<sup>th</sup> day of each month for the calendar month just ended. The Provider would include the increased charge for the bills issued on August 15, 2007, as no part of June 2007 service would be included.

**Example 2:** Communications Services Provider bills its residential customers within 10 days of the close of the billing period, which ends on the 15<sup>th</sup> day of each month. The Provider would include the increased charge for the bills issued on or about August 25, 2007, as the billing period July 15 through August 15 contains no part of June 2007. The increase would not apply to the July 25 billing, as a portion of the billing period includes part of June 2007.

The Department is revising form DP-135, Communications Services Tax Return, to reflect the repeal of the \$12 exemption. The Department expects to have the revised form available on its website by July 9, 2007. Communications retailers must use the new form for periods reflecting the increased charge. Non-compliant returns will be rejected and retailers risk the assessment of penalties and interest as a result.

Questions may be directed to the New Hampshire Department of Revenue Administration, 45 Chenell Drive, Concord, NH 03301 or by contacting Customer Service at (603) 271-2191.

***Individuals who need auxiliary aids for effective communication in programs and services of the Department of Revenue Administration are invited to make their needs and preferences known to the N.H. Department of Revenue Administration, 45 Chenell Drive, Concord, NH 03301 or by contacting them at (603) 271-2318.***