

New Hampshire Department of Revenue Administration
109 Pleasant Street, Concord, NH 03301

TECHNICAL INFORMATION RELEASE
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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.

**SINGLE MEMBER LIMITED LIABILITY COMPANY (SMLLC)
METHOD OF FILING NEW HAMPSHIRE BUSINESS TAX RETURNS**

Recently there has been some confusion among taxpayers as to the filing requirements of a Single Member Limited Liability Company (SMLLC). A SMLLC is a limited liability company with only *one* member. That member can be either a natural person or another entity, such as a partnership or corporation.

For New Hampshire business tax purposes, a SMLLC is regarded as a separate legal entity and is required to file its own return, separate from its member. A SMLLC must file a New Hampshire return, which corresponds with the type of return filed with the Internal Revenue Service (IRS). For example, if the member of a SMLLC files a federal Form 1040 to report its business income, the SMLLC must file the New Hampshire Business Tax returns for Proprietorships (i.e., forms BET and NH-1040). If the member of a SMLLC files as a corporation federally, the SMLLC would file a New Hampshire Form 1120. Please refer to N.H. Code of Admin. Rules, Rev. 307.01 and Rev. 2904.07, for additional information on filing returns.

Please note that a SMLLC cannot include income from other entities on its return or file a joint return. For example, if the member of a SMLLC is also a member of other SMLLCs, a return must be filed for *each* of the SMLLCs separately. The exception to this rule is if the SMLLCs are engaged in a unitary business.

Most importantly, if a SMLLC is formed and the SMLLC meets the filing requirements under RSA Chp. 77-A and a tax return is required to be filed, the SMLLC must apply for a Department Identification Number (DIN) under which to file. See N.H. Code of Admin. Rules, Rev. 2903.01. To obtain a DIN, the SMLLC completes New Hampshire Form DP-200 and submits it to the Department.

If, however, a SMLLC has a unique Federal Employer Identification Number (FEIN), the SMLLC does not need to obtain a DIN. To obtain a unique FEIN, the SMLLC must file federal Form SS-4 with the IRS. The unique FEIN or DIN *must* be used on all correspondences, returns, and forms regarding the SMLLC submitted to the Department. The SMLLC may not file a return using the social security number or other tax identification number of its member.

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, 109 Pleasant Street, Concord, NH 03301 or by contacting them at (603) 271-2318.