



[www.revenue.nh.gov](http://www.revenue.nh.gov)

**NEW HAMPSHIRE  
2016  
MEALS & RENTALS  
TAX BOOKLET  
RSA 78-A - REV 700**

This booklet contains the following New Hampshire state tax forms and instructions necessary for the monthly and seasonal filing of the Meals & Rentals (M&R) Tax.

<b>FORM</b>	<b>PAGE</b>
<b>DP-14 WORKSHEET</b>	<b>6</b>
<b>DUE DATES</b>	
<b>MONTHLY FILING DUE DATES</b>	<b>6</b>
<b>DP-14 TAX RETURN</b>	<b>10</b>

**E-file at [www.revenue.nh.gov](http://www.revenue.nh.gov)**

**or**

**Teletype at 1-800-328-4557**

**M&R TAX LICENSE REQUIREMENT**

The M&R Tax is a tax assessed upon patrons of hotels, restaurants and renters of motor vehicles based on the rents charged and upon meals and/or alcohol costing \$.36 or more. A Meals & Rentals Tax Operators License is required by anyone engaging in the sale of taxable meals or the rental of rooms or motor vehicles. Questions concerning licensing requirements should be directed to the Department by calling Central Tax Services at (603) 230-5920.

**TAX RATE:** A 9% tax is assessed upon patrons of hotels and restaurants, on meals, alcohol and rooms costing \$.36 or more. A 9% tax is also assessed on motor vehicle rentals.

**WHEN TO FILE AND PAY TAX**

You must file on or before the 15th of the following month (see schedule on Worksheet for exceptions). A payment made as an ACH Debit transaction with E-FILE or TELEFILE returns will not be deducted from your bank account until the day after the due date (generally the 16th of each month). A payment made as a credit card transaction with E-FILE returns will be processed instantly when the credit transaction is approved. You may access the TELEFILE and E-FILE systems 24 hours a day, 7 days a week. The postmark on your envelope does not constitute a timely filed return. The Department must **receive** paper returns no later than the due date. To avoid delays in processing paper returns, operators must use the M&R Return provided by the Department and submit it with an original signature.

**WORKSHEET AND RECORDKEEPING**

Every operator is required to complete the Meals & Rentals Tax Worksheet ("Worksheet") monthly. Operators filing by E-FILE shall print a hard copy of their confirmation monthly. All records shall be retained for three years from the due date of the tax or the date the return was filed, whichever is later.

**TAXABLE RENT:** The types of property for which taxable rent shall be collected include, but are not limited to: any type of shelter which provides sleeping accommodations such as vacation homes, hotels, houses, cottages, apartments, lodges of any kind, chalets, or rooms.

**SEASONAL FILERS:** Do not complete the "last day of business" section on a return unless you have actually ceased doing business entirely.

**TAXES AS A PERSONAL DEBT TO STATE:** All taxes required to be remitted by operators, and all increases, interest, and penalties on the taxes, become a personal debt of the operator from the time due and payable to the Commissioner of The Department of Revenue Administration, pursuant to RSA 78-A:20.

**TRANSACTION DOCUMENTATION:** E-FILERS print a copy of your completed transaction prior to exiting the E-FILE System. Retain this copy as a record of your transaction and confirmation number.

**"CHECK 21 ACT":** When you provide a check as payment, you authorize the State of New Hampshire to either use the information from your check to make a one-time electronic fund transfer from your account or to process the payment as a check. For inquiries, call (603) 230-5920.

**NEED FORMS:** Copies of forms, laws and administrative rules may be obtained for free from our website at [www.revenue.nh.gov](http://www.revenue.nh.gov) or by calling the Forms Line at (603) 230-5001.

**NEED HELP:** This booklet contains general information to assist you in complying with your tax obligation. Rules, laws and answers to Frequently Asked Questions (FAQs) are available on our website by clicking on the "M&R Operators" button on the lefthand side of the homepage at [www.revenue.nh.gov](http://www.revenue.nh.gov). If you have any questions regarding the M&R Tax, the TELEFILE System or the E-FILE System, Central Tax Services is available between 8:00 am and 4:30 pm, Monday through Friday at (603) 230-5920.

Individuals who need auxiliary aids for effective communication in programs and services of the New Hampshire Department of Revenue Administration are invited to make their needs and preferences known. Individuals with hearing or speech impairments may call TDD Access: Relay 1-800-735-2964.

**NOTE: You may be required to file New Hampshire business tax returns if your gross business income exceeds \$50,000. See page 9 for details on Business Profits Tax and Business Enterprise Tax or call Central Tax Services at (603) 230-5920.**

**M&R TAX LICENSE REQUIREMENT**

The M&R Tax is a tax assessed upon patrons of hotels, restaurants and renters of motor vehicles based on the rents charged and upon meals and/or alcohol costing \$.36 or more. A Meals & Rentals Tax Operators License is required by anyone engaging in the sale of taxable meals or the rental of rooms or motor vehicles. Questions concerning licensing requirements should be directed to the Department by calling Central Tax Services at (603) 230-5920.

**WHO MUST FILE**

Every operator must file a Meals & Rentals Tax return. **Operators must report monthly, even when no tax is due.** Approved seasonal operators must file returns for each month of their approved season.

**WORKSHEET**

Every operator is required to complete the Worksheet monthly. Operators filing by E-FILE shall print a hard copy monthly. All records, including the Worksheet, shall be retained for three years from the due date of the tax or the date the return was filed, whichever is later.

**ELECTRONIC FILING**

To report the M&R Tax information electronically, the operator can use either the TELEFILE or the E-FILE options explained below.

**ELECTRONIC PAYMENTS**

For each M&R operator filing electronically, the operator shall enter his/her banking information while using E-FILE or TELEFILE to submit a return. The ACH Debit Authorization allows the Department to electronically process the payment of tax due from the account specified by the operator. The ACH Debit Authorization remains in effect until the operator changes it via E-FILE or TELEFILE. Operators can also make a credit card payment using E-FILE to submit a return. Credit card payments are not available on TELEFILE.

**TELEFILE**

- After completing the worksheet contained in this booklet, the TELEFILE system may be accessed by dialing 1-800-328-4557 from a touch-tone telephone 24 hours a day, 7 days a week. Listen carefully to the prompts, then make your selection.
- The automated system will prompt the operator to provide their license number and PIN prior to entering certain tax information from the prepared worksheet.
- After entering your M&R license number and PIN, you will have the opportunity to: 1) file your return; 2) create or change your bank information; 3) create or change your PIN; or 4) delete a previously filed transaction up to 2:00 pm the day before the due date of the transaction, or any combination of the four options.
- The TELEFILE system will provide step-by-step instructions on filing your return. If at any time during the filing process you do not hear the instructions, wait a few seconds and TELEFILE will repeat them to you. You will have several opportunities to enter the requested entry prior to having the call disconnected.
- Once the tax information has been entered and verified, TELEFILE will issue a ten (10) digit confirmation number as a record of the filing transaction.
- The operator should write this confirmation number on Line 22 of the Worksheet. Questions concerning the TELEFILE or E-FILE systems may be directed to Central Tax Services at (603) 230-5920 Monday - Friday, 8:00 am - 4:30 pm.

**VERIFYING CORRECT INFORMATION**

After each item of tax information has been entered, TELEFILE will repeat the information and will request you to acknowledge the accuracy of the entry.

**TELEFILE EXAMPLE:**

"You have entered Three Thousand One Hundred Ninety Seven Dollars. Press 1 if correct or press 2 to re-enter". If the entry should be 2197 instead of 3197, you would press 2. TELEFILE will again instruct you to enter the information and verify the amount.

**VERIFYING BANK INFORMATION**

The TELEFILE System will ask you to verify the last 4 digits of your bank account prior to issuing a confirmation number. Make sure the numbers match.

**E-FILE**

Operators may file via the Internet by using their TELEFILE PIN or by creating a new PIN. The E-FILE program will prompt the user to enter necessary tax information and, upon completion, will automatically transmit the information to the New Hampshire Department of Revenue Administration. The E-FILE program is available through the Department's web site [www.revenue.nh.gov](http://www.revenue.nh.gov). E-FILE help instructions and help screens are available on-line to assist you.

**E-FILE NEW HAMPSHIRE**

- Access the Department's website [www.revenue.nh.gov](http://www.revenue.nh.gov), select "e-file New Hampshire" button, and then select "e-File Meals & Rentals Tax" and follow the prompts.
- When you have completed and verified all return entries you are ready to transmit your return and payment.
- You may pay returns, estimates and tax notices by credit card on e-File New Hampshire.
- Upon completion of the transaction a confirmation number will be displayed.
- Once confirmation has been displayed, **you must print a copy of the filing** to maintain in your records.

**CHANGING THE PIN/ BANKING INFORMATION**

You can create or change your PIN and/or your banking information at the time you file a return using the E-FILE system or the TELEFILE system. Follow the instructions carefully. The changes you make will remain in effect until you change them. You may access E-FILE at [www.revenue.nh.gov](http://www.revenue.nh.gov) or TELEFILE at 1-800-328-4557.

**ENTERING DOLLAR AMOUNTS**

**When filing returns and estimates, all dollar amounts must be entered on the E-FILE AND TELEFILE Systems in WHOLE DOLLARS. DO NOT ENTER CENTS.** For each TELEFILE entry which requires a dollar amount, you will be asked to enter the pound sign (#) once you have completely entered any dollar amount. The pound sign (#) may be found just below the number 9 of your touch-tone telephone keypad. For example, an operator reporting a meals tax of \$3,197.24 would enter as follows: TELEFILE: "Enter the total meals tax. Enter this amount followed by the pound key (#), now." M&R FILER enters: "3197#"

**CONFIRMATION NUMBER**

A 10-digit confirmation number will be provided at the conclusion of all TELEFILE and E-FILE transactions. This confirmation number will provide a record of the electronic filing transaction and should be retained in the operator's records. (Note: A space has been provided to record this item on Line 22 of the Worksheet contained within this booklet.)

**AMENDED & FINAL RETURNS**

**You may not file amended or final returns through TELEFILE.** Amended returns may be filed by E-FILE or paper by using the Meals & Rentals Tax Return (DP-14) contained in this booklet. If filing a final Meals & Rentals Tax Return, you must file a paper return and your Meals & Rentals Tax Operators License must be returned to the Department. If you need additional forms, you may access them on our website at [www.revenue.nh.gov](http://www.revenue.nh.gov), you may copy those found in this booklet or call the Forms Line at (603) 230-5001. Questions concerning amended or final returns may be directed to Central Tax Services at (603) 230-5920.

**WHEN TO FILE AND PAY TAX**

E-FILE or TELEFILE returns filed timely using ACH Debit Authorization will not have the payment, which is on Line 20 of the worksheet, deducted from their bank account until the next business day **after the return due date** (generally the 16th of each month). E-FILE returns filed using credit card payments are charged immediately to their credit card. E-FILE or TELEFILE payments for late filed returns will be deducted on the next business day following the day the return was filed. You may access the TELEFILE and E-FILE systems 24 hours a day, 7 days a week. E-FILE or TELEFILE returns will be considered timely filed when a confirmation number is received by the TELEFILE or E-FILE system prior to 12:00 midnight on the date due. **The postmark on your envelope does not constitute a timely filed return. Paper returns must be received by the Department no later than the due date.**

**INTEREST AND PENALTIES**

Interest and penalties will be charged on all late filed and late paid returns. For assistance in calculating interest and penalties see "LINE-BY-LINE TELEFILE INSTRUCTIONS." Payments are applied in accordance with Rev 2903.05.

**RETURN ELIGIBILITY REQUIREMENTS FOR 3% COMMISSION AND PAPER RETURN FILING**

Per RSA 78-A:7,III operators are permitted to take a commission equal to 3% of the tax due if they meet all of the following requirements: (1) keep the prescribed records; (2) file the return timely; (3) pay the tax due timely; and (4) follow the appropriate method of filing.

Operators may elect to file paper returns rather than file electronically; however, this election will result in the **loss of the 3% commission**, if taxable revenue was equal to or greater than \$25,000 in the prior calendar year. Operators are reminded to self-monitor their gross receipts to avoid loss of their commission and assessment of applicable penalties.

Failure to keep adequate records will result in the loss of any 3% commissions taken, the assessment of a 10%, 25% or 50% penalty on any additional tax due and/or the suspension/revocation of the operator's license.

**CONSOLIDATED REPORTING**

Operators having more than one license may request permission in writing to file on a consolidated basis provided all licenses use the same federal employer identification number. The request to the Department shall include the following:

- Operator's designation of one license number to be the master license number;
- Business name and each license number for each member of the consolidated group;
- Address for each license; and
- A statement that the operator agrees to the requirements of Rev 706.05.

To qualify for consolidated reporting the operator agrees:

- To notify the Department, in writing, of any additions or deletions to the consolidated group within ten (10) days of any change;
- To continue to use the designated master license number unless written approval has been granted to change the designation;
- To keep records readily available which show activity by month for each individual license;
- To permit the Department to make an assessment against and collect from the master license for any member of the consolidated group when the required records are not made available; and
- If the consolidated return is late or the payment is late, then interest and penalties shall be applied as if individual returns had been filed.

**QUARTERLY FILERS**

Any operator who has been in business for a full year whose year-round business has an average monthly tax liability of less than \$100 per month may request in writing to file quarterly returns. For additional information, please refer to Rev 706.03 or call the Department at (603) 230-5920.

**SEASONAL FILERS**

Any operator whose business is not open year round may request in writing to file only for the months operated during the year provided the filing months are consecutive. Operators previously approved for seasonal filing need NOT reapply to file seasonally each year unless their season changes. For additional information, please refer to Rev 706.04 or call the Department at (603) 230-5920.

**ENTITY CHANGE**

Entity changes in businesses **require a new license**. Form CD-3 must be submitted to obtain a new license.

**A final return and surrender of the former entity's license is required. See "Amended & Final Returns" section on previous page of instructions for additional information.**

**UPDATES & CHANGES**

Operators must complete and file Form CD-100 and submit it to the Department any time there is an address change, name change, or change in business status.

**RENTAL OF VACATION HOMES**

Tax must be collected and remitted on the rental charge of a vacation home, even if the rental is only one day. The taxability of the rental is not affected by whether the property is classified as a summer home, seasonal rental, hobby rental, timeshare, investment property or business property. The taxability is also not affected by whether the property is owned by an individual, estate, trust, corporation, partnership, limited liability company, or other type of entity. A monthly or seasonal Meals & Rentals Tax Operator's License is required and must be publicly displayed on the property.

**NEED FORMS?**

To obtain additional forms or forms not contained in this booklet, please call the Forms Line at (603) 230-5001 or visit our website at [www.revenue.nh.gov](http://www.revenue.nh.gov).

**NEED HELP?**

Call Central Tax Services at (603) 230-5920, Monday through Friday, 8:00 am to 4:30 pm. All written correspondence to the Department should include the operator name, license number, tax period, the name of a contact person and a daytime telephone number and should be sent to New Hampshire Department of Revenue Administration, PO Box 454, Concord NH 03302-0454. Individuals with hearing or speech impairments may call TDD access: Relay NH 1-800-735-2964.

Prior to filing a return, all licensed operators must complete the Meals & Rentals Tax Worksheet ("Worksheet") found in this booklet. This Worksheet will provide an historical record of the Meals & Rentals Tax reported by your business each month during the year. The Worksheet is to be maintained with your records for three (3) years from the due date of tax or date the return is filed, whichever is later. **When using E-FILE, follow the instructions on the screen.**

The shaded lines on the Worksheet are the **ONLY** entries that the TELEFILE system will request you to enter or verify when filing your return. Enter **ONLY** the requested items. **DO NOT ENTER YOUR GROSS SALES RECEIPTS ON TELEFILE.** If you have questions regarding these entries, call Central Tax Services at (603) 230-5920.

**ENTER** your business name on the line in the upper left corner of the Worksheet.

**ENTER** your six (6) digit Meals & Rentals Tax Operators License number in the block located in the upper left corner of the Worksheet.

**DO NOT ENTER** your personal identification number (PIN) on the Worksheet. The PIN is necessary for filing your return on the TELEFILE and/or the E-FILE system; however, this number should not be disclosed to anyone **except** those persons specifically authorized to act on your behalf.

**RECEIPTS FROM MEALS & BEVERAGES**

**LINE 1:** Enter the net receipts/net sales for the period for items sold if the tax is **not** included in the price of the item sold.

**LINE 2:** Multiply Line 1 x .09 and Enter on Line 2.

**LINE 3:** Enter the gross receipts/gross sales for the period for items if the tax is included in the price of the item sold.

**LINE 4:** Multiply Line 3 x .0826 and Enter on Line 4.

**LINE 5:** Enter the TOTAL MEALS TAX, Line 2 plus Line 4. Round to the nearest dollar and **ENTER WHOLE DOLLARS ONLY.**

**RECEIPTS FROM RENTALS**

See RSA 78-A:3, III for a list of taxable accommodations.

**LINE 6:** Enter the total room rental receipts minus any tax-exempt amount described on Line 21.

**LINE 7:** Enter permanent resident receipts. (Receipts received from occupants having at least 185 days of continuous occupancy are not subject to the Meals & Rentals Tax.)

**LINE 8:** Enter the taxable room rental receipts, Line 6 minus Line 7.

**LINE 9:** Enter the TOTAL ROOM RENTAL TAX. Check the rate which applies. Line 8 x 0.09 if tax excluded or 0.0826 if tax included. Round to the nearest dollar and **ENTER WHOLE DOLLARS ONLY.**

**LINE 10:** Enter the total motor vehicle rental receipts.

**LINE 11:** Enter the TOTAL MOTOR VEHICLE RENTAL TAX. Check the rate which applies. Line 10 x 0.09 if tax excluded or 0.0826 if tax included. Round to the nearest dollar and **ENTER WHOLE DOLLARS ONLY.**

**LINE 12:** Enter the total amount of tax, by adding Line 5 plus Line 9 plus Line 11 to calculate the total amount of the tax.

NOTE: Operators who substantially understate their tax on Line 12

may be assessed a penalty by the Department in the amount of 25% of any underpayment of the tax. A substantial understatement is one which exceeds the greater of 10% of the amount of tax (Line 12) or \$5,000.

**Deductions and Additions:** Commission of 3% may be taken by operators who timely file and pay in accordance with RSA 78-A:8. Commission **MAY NOT** be deducted by an operator not meeting the requirements of RSA 78-A:7, III. (See eligibility requirements for 3% commission and paper returns in General Instructions.)

**Deductions:**

**LINE 13:** Multiply Line 12 x 0.03 and Enter total on Line 13.

**LINE 14:** Enter payments made in advance of the due date for the current tax period or any Credit Memo Letter you have **received** from the Department.

**LINE 15:** Enter total deductions, Line 13 plus Line 14.

**Additions:**

**LINE 16:** Tax due not timely paid shall have interest at a rate of 5% per annum for returns due in the year 2016. The interest is calculated on the balance of tax due from the original due date to the date paid. **Multiply** the number of days late x .000137 by the net tax due. **Enter** this amount on Line 16. **Example: To calculate interest on a return 15 days late with a tax due of \$500, see below.**

$15 \text{ days late} \times .000137 = .00206 \times \$500 = \underline{\$1.03 \text{ interest due}}$

**LINE 17:** Tax due and not timely paid may have a penalty for failure to pay imposed. A penalty equal to 10% of any nonpayment or underpayment of taxes shall be imposed if the operator fails to pay when due. If the failure to pay is due to fraud, the penalty shall be 50% of the amount of the nonpayment or underpayment. **Multiply** the Net Tax Due (Line 12 minus Line 15) by 10% and **Enter** on Line 17. **Example: To calculate the 10% penalty for failure to pay on \$500 tax, see below.**

$\$500 \times .10 \text{ penalty for failure to pay} = \underline{\$50 \text{ penalty due}}$

**LINE 18:** An operator failing to timely file a complete return may be subject to a penalty for failure to file equal to 5% of the tax due or \$10, whichever is greater, for each month or part thereof that the return remains unfiled or incomplete. The total amount of this penalty shall not exceed 25% of the balance of the tax due or \$50, whichever is greater. Calculate this penalty starting from the original due date of the return until the date a complete return has been filed.

**Multiply** the Net Tax Due (Line 12 minus Line 15) by the percentage which applies and **Enter** the penalty for failure to file on Line 18. **Example: To calculate the penalty for failure to file, see below.**

Tax is:	Due date:	When filed:	Failure to file penalty due:
\$500	1/15	1/16 - 2/15	\$25 (tax x 5%) or \$10 whichever is greater
\$500	1/15	2/16 - 3/15*	\$50 (tax x 10%) or \$20 whichever is greater
\$500	1/15	3/16 - 4/15	\$75 (tax x 15%) or \$30 whichever is greater
\$500	1/15	4/16 - 5/15	\$100 (tax x 20%) or \$40 whichever is greater
\$500	1/15	5/16 on or after	\$125 (tax x 25%) or \$50 whichever is greater

\* If the return is due on 1/15 and filed on 2/16, the penalty is calculated at 10%: 5% for the first month, (1/16-2/15) and an additional 5% for each subsequent month or part of the second month not to exceed 25% of the balance of the tax due or \$50, whichever is greater.

**LINE 19:** Enter the sum of Lines 16, 17 and 18.

**LINE 20:** Enter the TOTAL PAYMENT DUE, Line 12 minus Line 15 plus Line 19. Round to the nearest dollar and **ENTER WHOLE DOLLARS ONLY**. The amount entered here is the amount to be deducted from the account you have authorized for this purpose.

**NOTE:** For operators filing a paper return, Form DP-14, enclose a check payable to the State of New Hampshire for the amount shown on Line 20. If less than \$1.00 do not pay but still file the return.

TELEFILE and E-FILE returns filed timely as an ACH Debit transaction will have the payment, on Line 20, deducted from the operator's designated account the next business day AFTER THE RETURN DUE DATE (commonly on the 16th of the month). TELEFILE and E-FILE payments for late filed returns will be deducted the NEXT BUSINESS DAY following the day the return was filed. E-FILE returns filed as a credit card transaction will be processed instantly when the credit card transaction is approved.

**LINE 21:** Enter the total Meals and Rentals receipts which are exempt from taxation. For example: federal, NH state and NH municipal employees on government business and having the proper documentation may be exempt from the payment of this tax. For further clarification, contact the Department at (603) 230-5920. Do not include permanent resident receipts on this line.

**LINE 22:** TELEFILERS should enter the 10 digit confirmation number assigned by the TELEFILE System at the conclusion of your filing. This number is an important record of your TELEFILE transaction and will be requested should any research of your electronic filing be required. Enter this number on your worksheet in the block under the corresponding tax period. E-FILERS should print a copy of their confirmation prior to exiting the E-FILE system. TELEFILERS and E-FILERS must continue to the end of the program to complete the transaction and receive a confirmation number.

**IF YOU DID NOT RECEIVE A CONFIRMATION NUMBER, YOUR TRANSACTION DID NOT TRANSMIT TO THE DEPARTMENT.**

#### FREQUENTLY ASKED QUESTIONS

##### ARE NON-PROFITS EXEMPT FROM THE MEALS & RENTALS TAX?

No organization, including non-profit organizations, are exempt from the Meals and Rentals Tax. However, there are limited exemptions for the following:

- Meals and Rentals charges incurred in the course of official business by federal government employees, New Hampshire state, county or municipal employees. The operator must receive a purchase order from the governmental entity and payment from the government's treasurer or through a government authorized credit card.
- Persons possessing diplomatic tax exempt cards issued by the US Department of State.
- Rents incurred as the result of the partial or complete destruction of a person's permanent residence.
- Meals paid for with food stamps/coupons.
- Some schools and students.

If you have any questions about tax exempt sales, please refer to Rev 700 or call the Department at (603) 230-5920. The State of New Hampshire does not issue Meals & Rentals Tax exempt certificates.

##### WHAT RECORDS DO I NEED TO KEEP AND FOR HOW LONG?

Keep all records used to record and report your Meals & Rentals Tax for three (3) years from the due date of the tax or the date the return was filed, whichever is later. This includes the TELEFILE worksheet, E-FILE screen prints, cash receipts journals, cash disbursement journals, general ledgers, payroll records, complete cash register tapes, guest checks and registration cards, bank statements with all enclosures and any other source document used in your accounting records. If you sell both taxable and non-taxable items, you must maintain records which justify the non-taxable sales.

**DO I NEED A SEPARATE LICENSE FOR CATERING?** Yes, a license is required for each fixed location where meals are regularly served and a separate license where meals are occasionally served for events such as, but not limited to: banquets, weddings, barbecues, outings, fairs, picnics, private homes, etc.

**HOW ARE BAKERY PRODUCTS TAXED?** All bakery products sold in quantities of less than six from a restaurant are taxable. A bakery is classified as a restaurant if it sells taxable meals as defined in RSA 78-A:3, X(c), such as, but not limited to, coffee, soda, sandwiches, salads from the salad bar, and/or prepared foods. The taxability of bakery products is not affected by whether the bakery product is served to be eaten on premise or on a "to go" basis.

**HOW SHOULD I HANDLE COUPONS AND DISCOUNT SALES?** The tax should be applied to the sale amount after the discount or coupon reduction has been taken if the coupon or discount was free. For more information refer to Rev 702.11 and 702.12.

**ARE GRATUITIES AND SERVICE CHARGES TAXED?** Mandatory gratuity and service charges added to the charge for a meal or room may be taxed in certain circumstances. See RSA 78-A:6-a for more information.

**ARE PARTY PLATTERS TAXABLE EVEN IF I AM NOT SERVING?** Yes, party platters such as, but not limited to, vegetable, meat, dessert, fruit, bakery and hors-d'oeuvres, are taxable whether delivered, picked up, served or not.

**ARE FUNCTION ROOM RENTALS TAXABLE?** Yes, any type of room or space rental in a hotel (or any facility with sleeping accommodations) is subject to the tax.

**WHAT CHARGES ASSOCIATED WITH AUTOMOBILE RENTALS ARE TAXABLE?** All charges included in the rental agreement are taxable including but not limited to airport fees, drop off fees and under age fees. The following items are not subject to the tax when separately stated in the agreement.

- Charges for fuel
- Charges for insurance
- Charges for damages

If the motor vehicle lease or rental agreement does not exceed 180 consecutive days, the lease or rental is subject to the Meals & Rentals Tax.

**WHEN IS LONG TERM ROOM RENTAL SUBJECT TO THE MEALS & RENTALS TAX?** Tax must be collected on all room rentals of less than 185 consecutive days. When a patron reaches the 185th consecutive day of occupancy, the operator must refund to the patron the tax monies that have been collected. The operator must then send to the Department verification of the refund (a copy of the canceled check or a signed statement from the patron that he/she has received the refund) along with documentation supporting the length of occupancy to the Audit Division PO Box 1388, Concord, NH 03302-1388. The Department will then issue a Credit Memo Letter. Once the Credit Memo Letter is received, the operator may use it to reduce a subsequent tax payment. The Credit Memo Letter amount should be entered on Line 14 of the Meals & Rentals Tax worksheet. Note: Operators may not utilize any credit amount until they have received a Credit Memo Letter from the Department.

**DO I NEED TO FILE A RETURN EVERY MONTH EVEN IF I HAVE NO ACTIVITY?** Yes, you must file a return even if you have had no activity during your scheduled reporting periods.

**WHERE CAN I GET A COPY OF THE MEALS & RENTALS TAX LAW AND RULES?** The Meals & Rentals Tax law (RSA 78-A) and Administrative Rules (Chapter 700) are available for free through the Department's website on the Internet at [www.revenue.nh.gov](http://www.revenue.nh.gov) or copies can be made for a fee by visiting the New Hampshire State Library or any New Hampshire Depository Library.

These questions are not intended to be inclusive of every situation. If you have any questions regarding the taxability of any product or rental, please contact the Department at (603) 230-5920.

BUSINESS NAME \_\_\_\_\_

**STATE OF NEW HAMPSHIRE**

LICENSE NUMBER 

--	--	--	--	--	--

Note:  
(This is the Operator's six digit License number, not FEIN or SSN)

PIN 

Enter PIN on TELEFILE or E-FILE
---------------------------------

 THIS WORKSHEET MUST BE COMPLETED PRIOR TO FILING THE NH MEALS & RENTALS RETURN

For the month of	January	February	March	April	May
Filing due date	02/16/2016	03/15/2016	04/18/2016	05/16/2016	06/15/2016

**RECEIPTS FROM MEALS AND BEVERAGES**

1	Tax Excluded Receipts				
2	Meals Tax @ 9% (Line 1 multiplied by .09)				
3	Tax Included Receipts				
4	Meals Tax @ 8.26% (Line 3 multiplied by .0826)				
5	<b>TOTAL MEALS TAX</b> (Line 2 plus Line 4)				

**RECEIPTS FROM RENTALS**

6	Room Rental Receipts				
7	Permanent Resident Receipts				
8	Taxable Room Rental Receipts Line 6 minus Line 7				
9	<b>TOTAL ROOM RENTAL TAX</b> Check rate used. <input type="checkbox"/> .09 <input type="checkbox"/> .0826 Line 8 multiplied by .09 or .0826 if tax included.				
10	Motor Vehicle Rental Receipts				
11	<b>TOTAL MOTOR VEHICLE RENTAL TAX</b> Check rate used. Line 10 x rate, <input type="checkbox"/> .09 if tax excluded, <input type="checkbox"/> .0826 if tax included. Round to nearest whole dollar.				
12	<b>TOTAL TAX</b> (Line 5 plus Line 9 plus Line 11)				

**DEDUCTIONS AND ADDITIONS**

13	Commission (Line 12 multiplied by .03) See 3% commission requirement in General Instructions.				
14	Advanced Payment or Credit Memo				
15	<b>TOTAL DEDUCTIONS</b> (Line 13 plus Line 14)				
16	Interest (See instructions)				
17	Penalty for Failure to Pay (See instructions)				
18	Penalty for Failure to File (See instructions)				
19	<b>TOTAL ADDITIONS</b> (Sum of Lines 16, 17 & 18)				

20	<b>TOTAL PAYMENT DUE</b> (Line 12 minus Line 15 plus Line 19)				
----	--	--	--	--	--

Payment authorized on Line 20 made as an ACH Debit transaction will be debited from your account the next business day after the filing due date. The payment authorized on Line 20 will be debited immediately if made as a credit card transaction.

21	<b>TAX EXEMPT MEALS &amp; RENTALS RECEIPTS</b> (See instructions)				
----	---	--	--	--	--

January	February	March	April	May
---------	----------	-------	-------	-----

THE TELEFILE SYSTEM WILL PROVIDE A 10 DIGIT CONFIRMATION NUMBER TO VERIFY THE

22	<b>CONFIRMATION NUMBER</b>	_____	_____	_____	_____
----	----------------------------	-------	-------	-------	-------

**MEALS & RENTALS TAX WORKSHEET**

**2016**

**TELEFILE Telephone Number 1-800-328-4557  
E-File at [www.revenue.nh.gov](http://www.revenue.nh.gov)**

AND MUST BE RETAINED FOR THREE YEARS FROM THE DUE DATE OF THE TAX OR THE DATE THE RETURN IS FILED WHICHEVER IS LATER.

June	July	August	September	October	November	December	TOTAL
07/15/2016	08/15/2016	09/15/2016	10/17/2016	11/15/2016	12/15/2016	01/17/2017	2016

**RECEIPTS FROM MEALS AND BEVERAGES**

1							
2							
3							
4							
5							

**RECEIPTS FROM RENTALS**

6							
7							
8							
9							
10							
11							
12							

**DEDUCTIONS AND ADDITIONS**

13							
14							
15							
16							
17							
18							
19							
20							

above if the return is timely filed and on the next business day following the date the return was filed for late filed return.

21							
June	July	August	September	October	November	December	2015

TRANSACTION. ENTER THE NUMBER IN THE APPROPRIATE SPACE BELOW.

22							
----	--	--	--	--	--	--	--

NEW HAMPSHIRE DEPARTMENT OF REVENUE ADMINISTRATION  
**MEALS & RENTALS TAX BOOKLET**  
**WORKSHEET SAMPLE**

BUSINESS NAME XYZ Hotel, Restaurant & Auto Rentals

LICENSE NUMBER **0 9 9 9 9 9** Note: This is the operator's six digit license number, not FEIN or SSN.

PIN **Enter PIN on TELEFILE or E-FILE** For the month of January  
Filing due date 02/16/2016

**NOTE** : TELEFILE users will enter the bolded numbers on Lines 5, 9, 11 and 20 on the TELEFILE system. E-FILE users should follow instructions on E-FILE system.

**RECEIPTS FROM MEALS & BEVERAGES**

1	Tax Excluded Receipts	27,000
2	Meals Tax @ 9% (Line 1 multiplied by .09)	2,430
3	Tax Included Receipts	14,000
4	Meals Tax @ 8.26% (Line 3 multiplied by .0826)	1,156
5	<b>TOTAL MEALS TAX</b> (Line 2 plus Line 4)	<b>3,586</b>

COMMON ERROR: Do not enter these numbers into TELEFILE.

Enter on TELEFILE

**RECEIPTS FROM RENTALS**

6	Room Rental Receipts	10,100
7	Permanent Resident Receipts	100
8	Taxable Room Rental Receipts Line 6 minus Line 7	10,000
9	<b>TOTAL ROOM RENTAL TAX</b> Check rate used. <input checked="" type="checkbox"/> .09 <input type="checkbox"/> .0826 Line 8 multiplied by .09 or .0826 if tax included.	<b>900</b>
10	Motor Vehicle Rental Receipts	5,000
11	<b>TOTAL MOTOR VEHICLE RENTAL TAX</b> Check rate used. Line 10 x rate, <input checked="" type="checkbox"/> .09 if tax excluded, <input type="checkbox"/> .0826 if tax included. Round to nearest dollar.	<b>450</b>
12	<b>TOTAL TAX</b> (Line 5 plus Line 9 plus Line 11)	<b>4,936</b>

Enter on TELEFILE

Enter on TELEFILE

**FOR EXAMPLE:**  
XYZ Hotel, Restaurant and Auto Rental, License # 099999, a sample company, has the following sales in the month of January, 2016:

Net Receipts/Sales ..... \$27,000.00  
(tax not included in sale price)

Gross Receipts/Sales ..... \$14,000.00  
(tax is included in sale price)

Room Rental Receipts..... \$10,100.00

Permanent Resident Receipts ..... \$ 100.00

Motor Vehicle Rental Receipts ..... \$ 5,000.00

**DEDUCTIONS AND ADDITIONS**

13	Commission (Line 12 multiplied by .03) See 3% commission requirement in General Instructions.	148
14	Advanced Payment or Credit Memo	0
15	<b>TOTAL DEDUCTIONS</b> (Line 13 plus Line 14)	<b>148</b>
16	Interest (See instructions)	0
17	Penalty for Failure to Pay (See instructions)	0
18	Penalty for Failure to File (See instructions)	0
19	<b>TOTAL ADDITIONS</b> (Sum of Lines 16, 17 & 18)	<b>0</b>

20	<b>TOTAL PAYMENT DUE</b> (Line 12 minus Line 15 plus Line 19)	<b>4,788</b>
----	--	--------------

Enter on TELEFILE

Payment authorized on Line 20 will be debited from your account the next business day after the filing due date

21	<b>TAX EXEMPT MEALS &amp; RENTALS RECEIPTS</b> (See instructions)	0
----	---	---

January

22	<b>CONFIRMATION NUMBER</b>	<u>1 1 1 1 1</u> <u>1 1 1 1 1</u>
----	----------------------------	--------------------------------------

NOTE: If you do not receive a confirmation number from either TELEFILE or E-FILE, your transaction did not transmit to the Department.

**MEALS & RENTALS TAX BOOKLET****Meals & Rentals Operator's Tax Responsibilities**

The most common taxes encountered by holders of Meals and Rentals licenses are the Meals and Rentals, the Business Profits and Business Enterprise Taxes. The following information regarding these taxes is meant to provide a broad overview of these taxes, and is not intended to detail all of your obligations as a taxpayer. For example, in addition to these taxes, some operators may be subject to the Interest and Dividends Tax or the Communications Services Tax, which are not discussed here. It should also be noted that the obligations and penalties described here apply only to operators who are natural persons; corporate entities may face other penalties for tax law violations. The Department strongly encourages all operators to seek additional information regarding their tax obligations. Operators may also find it helpful to obtain the advice of a tax professional.

**The Meals and Rentals Tax - RSA 78-A**

The Meals and Rentals Tax is a 9% tax assessed upon patrons of hotels and restaurants, and upon renters of motor vehicles. The tax is paid by the consumer, and is collected by the operator of the business providing the food, alcohol, room, or motor vehicle to the consumer. Operators are legally obligated to collect the appropriate tax from the patrons and to remit all taxes collected in accordance with RSA 78-A.

Operators must file a Meals and Rentals Tax Return and pay over the collected tax to the Department on a monthly basis. There are provisions for seasonal filings. The tax and the return must be paid to and filed with the Department on or before the 15th day of the month following the calendar month in which the tax was collected. For example, for taxes collected during the month of April, you must file a return and pay over those taxes to the Department by May 15. Operators who comply with the tax laws are permitted to retain 3% of the taxes. Those who fail to comply with the tax laws, however, are not entitled to retain any portion of the taxes collected, and face penalties for non-compliance. **As with failing to collect the tax, it is a Class B Felony to fail to truthfully account for and pay over the appropriate tax to the Department.** As an operator, you act as the conduit between the consumer and the State with regard to the Meals and Rentals Tax. **The money that you collect as Meals and Rentals tax does not lawfully belong to you. Accordingly, should you fail to pay over the collected tax to the State, you could also be charged with theft.** Depending on the amount of money at issue, you could be convicted of a Class A Felony, which carries a maximum penalty of 7½ to 15 years in the New Hampshire State Prison, in addition to other criminal and civil penalties.

Operators must file a return every month, regardless of whether they have had any activity during the previous month. Returns must be filed electronically, via touch-tone telephone or personal computer. **You are permitted to file a paper return only if your taxable revenue for the previous calendar year was less than \$25,000.**

**Recordkeeping/Retention - RSA 78-A:19 and Rev 708.01**

Operators must maintain records for three (3) years. Revenue Rule 708.01 (e) provides that in the event the operator's records are not adequate to make an accounting to the State for the tax collection liability, the Department shall determine a tax liability based on the records available and deny the 3% commission available under RSA 78-A:7, III.

**The Business Profits Tax - RSA 77-A**

The Business Profits Tax is imposed at a rate of 8.5% upon the taxable business profit of a business organization. Business organizations having in excess of \$50,000 in gross business income during the taxable period are required to file Business Profits Tax returns.

For businesses taxed federally as corporations, Business Profits Tax returns are due on the 15th day of the 3rd month following the end of the taxable period. Sole proprietorships and entities treated as partnerships federally must file their Business Profits Tax returns by the 15th day of the 4th month following the end of the taxable period. Non-profit organizations must file their returns by the 15th day of the 5th month following the end of the taxable period.

**The Business Enterprise Tax - RSA 77-E**

A 0.75% tax, is imposed on the enterprise value tax base of every business enterprise. The enterprise value tax base is the sum of all compensation paid or accrued, interest paid or accrued, and dividends paid by the business, after special adjustments and apportionment. For taxable periods ending on or after December 31, 2015, business enterprises with more than \$207,000 of gross business receipts during the taxable period, or an enterprise value tax base greater than \$103,000, are required to file a return. For the filing threshold for other taxable periods refer to RSA 77-E:5.

Proprietorship, partnership and fiduciary returns are due on the 15th day of the 4th month following the end of the taxable period. Corporate returns are due on the 15th day of the 3rd month following the end of the taxable period. Non-profit returns are due on the 15th day of the 5th month following the end of the taxable period.



**MEALS & RENTALS TAX RETURN**

Amended Return

Business Name

License Number  Due on the 15th day of the month following the close of the tax period.

Tax Period (MMYYYY)

IF THIS IS YOUR FINAL RETURN, FILE FORM CD-100 AND GIVE REASON:

1 - Business Discontinued Last Day of Business MMDDYYYY

2 - Change in Organization

3 - Business Sold

**Receipts From Meals and Beverages**

1. Tax excluded receipts	1	<input style="width: 100px;" type="text"/>
2. Meals Tax on gross receipts at 9% (Multiply Line 1 by .09)	2	<input style="width: 100px;" type="text"/>
3. Tax included receipts	3	<input style="width: 100px;" type="text"/>
4. Meals Tax at 8.26% (Multiply Line 3 by .0826)	4	<input style="width: 100px;" type="text"/>
<b>5. Total Meals</b> (Line 2 plus Line 4)	5	<input style="width: 100px;" type="text"/>

**Round to the nearest whole dollar**

**Receipts From Rentals**

6. Room rental receipts	6	<input style="width: 100px;" type="text"/>
7. Permanent resident receipts	7	<input style="width: 100px;" type="text"/>
8. Taxable room rental receipts (Line 6 minus Line 7)	8	<input style="width: 100px;" type="text"/>
<b>9. Total room rental tax</b> (multiply Line 8 by .09 or .0826) Check rate used: <input type="checkbox"/> .09 <input type="checkbox"/> .0826	9	<input style="width: 100px;" type="text"/>
10. Motor vehicle rental receipts	10	<input style="width: 100px;" type="text"/>
<b>11. Total motor vehicle rental tax</b> (multiply Line 10 by .09 or .0826) Check rate used: <input type="checkbox"/> .09 <input type="checkbox"/> .0826	11	<input style="width: 100px;" type="text"/>
<b>12. Total tax</b> (Line 5 plus Line 9 plus Line 11)	12	<input style="width: 100px;" type="text"/>

**Deductions and Additions**

13. Commission (Line 12 multiplied by .03)	13	<input style="width: 100px;" type="text"/>
14. Original return payment/credit memo/estimated payments	14	<input style="width: 100px;" type="text"/>
<b>15. Total deductions</b> (Line 13 plus Line 14) (See 3% commission eligibility requirements in General Instructions)	15	<input style="width: 100px;" type="text"/>
16. Interest (see instructions)	16	<input style="width: 100px;" type="text"/>
17. Penalty for failure to pay (see instructions)	17	<input style="width: 100px;" type="text"/>
18. Penalty for failure to file (see instructions)	18	<input style="width: 100px;" type="text"/>
19. Total additions (sum of Lines 16, 17, & 18)	19	<input style="width: 100px;" type="text"/>
<b>20. Total Due</b> (Line 12 minus Line 15, plus Line 19) Make checks payable to <b>State of New Hampshire</b>	20	<input style="width: 100px;" type="text"/>
21. Tax exempt meals and rental receipts	21	<input style="width: 100px;" type="text"/>

Under penalties of perjury, I declare that I have examined this return and to the best of my belief it is true, correct and complete. (If prepared by a person other than the operator, this declaration is based on all information of which the preparer has knowledge.)

Signature (IN INK) (Failure to sign may result in assessment of penalties)  MMDDYYYY  Phone Number

Signature (in ink) Preparer Other Than Operator  MMDDYYYY  Preparer Address, City, State, Zip

Print Preparer's Name  Preparer's Tax ID Number



**Meals & Rental Operators may file electronically on the Department's website at [www.revenue.nh.gov/](http://www.revenue.nh.gov/).** If you have questions, call (603) 230-5920.

**ENTER** your business name on the line provided.

**ENTER** your **six (6)** digit Meals & Rentals Tax Operators License number in the block.

**ENTER** the taxable period. Check the appropriate box to indicate if this return is amended or final. If final, indicate reason and last day of business.

### Receipts from Meals & Beverages

**LINE 1: Enter** the net receipts/net sales for the period for items sold if the tax **is not** included in the price of the item sold.

**LINE 2: Multiply** Line 1 x .09 and **Enter** on Line 2.

**LINE 3: Enter** the gross receipts/gross sales for the period for items if the tax is included in the price of the item sold.

**LINE 4: Multiply** Line 3 x .0826 and **Enter** on Line 4.

**LINE 5: Enter** the TOTAL MEALS TAX, Line 2 plus Line 4. Round to the nearest dollar and **ENTER WHOLE DOLLARS ONLY.**

**Receipts from Rentals - See RSA 78-A:3, III for a list of taxable accommodations.**

**LINE 6: Enter** the total room rental receipts minus any tax-exempt amount described on Line 21.

**LINE 7: Enter** permanent resident receipts. (Receipts received from occupants having greater than 185 days of continuous occupancy are not subject to the Meals & Rentals Tax.)

**LINE 8: Enter** the taxable room rental receipts, Line 6 minus Line 7.

**LINE 9: Enter** the TOTAL ROOM RENTAL TAX. Check the rate which applies. Line 8 x rate, .09 if tax excluded or .0826 if tax included. Round to the nearest dollar and **ENTER WHOLE DOLLARS ONLY.**

**LINE 10: Enter** the total motor vehicle rental receipts.

**LINE 11: Enter** the TOTAL MOTOR VEHICLE RENTAL TAX. Check the rate which applies. Line 10 x rate, .09 if tax excluded or .0826 if tax included. Round to the nearest dollar and **ENTER WHOLE DOLLARS ONLY.**

**LINE 12: Enter** the total amount of tax, by adding Line 5 plus Line 9 plus Line 11 to calculate the total amount of the tax.

**NOTE:** Operators who substantially understate their tax on Line 12 may be assessed a penalty by the Department in the amount of 25% of any underpayment of the tax. A substantial understatement is one which exceeds the greater of 10% of the amount of tax (Line 12) or \$5,000.

### Deductions and Additions

Commission of 3% may be taken by operators who timely file in accordance with RSA 78-A:8. Commission **MAY NOT** be deducted by an operator not meeting the requirements of RSA 78-A:7, III. (See eligibility requirements for 3% commission and paper returns in General Instructions of the Meals & Rentals Tax Booklet.)

**LINE 13: Multiply** Line 12 x .03 and **Enter** total on Line 13.

**LINE 14: Enter** payments made in advance of the due date for the current tax period **or** for any Credit Memo you **received** from the Department.

**LINE 15: Enter** total deductions, Line 13 plus Line 14.

**LINE 16: INTEREST:** Interest is calculated on the balance of tax due from the original due date to the date paid. Tax due x number of days from due date to date tax was paid x daily rate decimal equivalent of 0.000137 for 2016.

**LINE 17: FAILURE TO PAY:** A penalty equal to 10% of any nonpayment or underpayment of taxes shall be imposed if the taxpayer fails to pay when due. If the failure to pay is due to fraud, the penalty shall be 50% of the amount of the nonpayment or underpayment.

**LINE 18: FAILURE TO FILE:** A taxpayer failing to timely file a complete return will be subject to a penalty equal to 5% of the tax due (on Line 12) or \$10, whichever is greater, for each month or part thereof, that the return remains unfiled. The total amount of this penalty shall not exceed 25% of the balance of tax due (on Line 12) or \$50, whichever is greater. Calculate this penalty starting from the original due date of the return until the date a complete return has been filed.

**LINE 19: Enter** the total of Lines 16 through 18 to calculate the total additions to tax.

**LINE 20: Enter** the total due (Line 12 minus Line 15 plus Line 19).

**LINE 21: Enter** tax exempt Meals & Rentals receipts.

### Signatures

The return must be signed in ink and dated by the taxpayer. If the return was completed by a paid preparer, then the preparer must also sign in ink and date the return. The preparer must also enter their federal preparer tax identification number and complete address.