

New Hampshire Department of Revenue Administration

Fiscal Note Quick Guide

15-0933

SB 204-FN, *repealing the education tax credit program.*

Senate Education Committee

This bill repeals the Education Tax Credit, RSA 77-G, and the sections relative to the credit usage under the Business Profits Tax and the Business Enterprise Tax. This bill would take effect upon passage.

\$49,725 in Education Tax Credit was awarded by the Scholarship Organization on December 1, 2014. If this bill is passed and RSA 77-G is repealed before taxpayers file tax returns in March or April of 2015, tax credits already issued could not be used and, thus, there wouldn't be a reduction in revenue of \$49,725 in FY2015.

The maximum possible tax credit that could be issued in FY2016 would be \$5,100,000. For fiscal years beyond 2016, the maximum would be at least \$5,100,000, but possibly more if certain Education Tax Credit Program goals are achieved.

The fiscal impact of this bill would reduce future state expenditures by \$49,725 for FY2015 and reduce possible state expenditures by \$5,100,000 in FY2016 and perhaps even more in subsequent fiscal years.

This bill could be administered by the Department of Revenue Administration without any additional cost.