

A Technical Information Release is designed to provide immediate information of changes in tax laws administered by the Department for 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.)

The purpose of this information release is to advise taxpayers and tax preparers of an expansion of the definition of Qualified Investment Companies to include Qualified Investment Capital Companies. If you have any questions about this law change or the Department's interpretation, please call (603)271-2191

Statutory Certification and Annual Reporting for Qualified Investment Capital Companies

Chapter 163 of the Laws of 1998 expanded the definition of Qualified Investment Company to include Qualified Investment Capital Company for the purposes of the business profits tax and the business enterprise tax. The provision of Chapter 163 apply to taxable periods ending after June 30, 1998. Pursuant to RSA77-A: 1, XXIV(a), any business organization that elects to be declared as a qualified Investment Capital Company must, on or before the 15th day of the third month of the taxable period, file a certification with the Commissioner of Revenue. A certification form is available upon request for duplication and use by Qualified Investment Capital Companies by contacting the department at (603)271-2335.

In addition, Chapter 163 added a new section to the statute under RSA 77-A:5-b which requires that any business organization that has filed certification as a Qualified Investment Capital Company shall, with respect to each taxable period, make a report setting forth the aggregate amounts of funds invested in the qualified investment capital company and the aggregate amounts of investments made by the qualified investment capital company by industry and state or other location. While the reporting form must be filed annually for each taxable period a business organization qualifies as a Qualified Investment Capital Company, the certification form itself need only be submitted for the first taxable period of qualification and in any subsequent taxable period that the business organization experiences a change from the original certification filed. Forms are available upon request by contacting the department at (603)271-2335.

Certifications filed with the New Hampshire Department of Revenue will be kept on file and the criteria certified to by any business organization may be subject to a routine review by the Audit Division as it deems necessary. During any routine review, pursuant to RSA21-J: 7 and RSA77-A: 11, it will be the responsibility of the taxpayer or its representative to provide the necessary information and records to verify it meets the criteria and qualifications to support its certification as a Qualified Investment Capital Company.