

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 (ie., Revised Statutes Annotated, Rules, Case Law, Session Laws, etc.)

The purpose of this information release is to advise distribution companies and consumers of electricity that the Electricity Consumption Tax will become effective May 1, 2001. This release is for educational purposes only.

If you have questions regarding your specific circumstances which are unique and not addressed by the present statute, administrative rule or this release, you may request a Declaratory Ruling, pursuant to Rev 209, from the Commissioner of Revenue Administration, 45 Chenell Drive, Concord, NH 03301.

ELECTRICITY CONSUMPTION TAX

Chapter 347:6, Laws of 1997 provides that this act (RSA 83-E) shall take effect 30 days after the Public Utilities Commission shall certify to the Commissioner of Revenue Administration that it has begun implementing such order.

The Public Utilities Commission certified to the Commissioner of Revenue Administration that it had begun implementing this order on April 1, 2001. In accordance with Chapter 347:6, Laws of 1997 the Electricity Consumption Tax (RSA 83-E) shall become effective on May 1, 2001. The electricity consumption tax is imposed on the consumer at the rate of \$.00055 per kilowatt hour of electricity consumed. The tax is collected and remitted to the Department of Revenue Administration by the distribution companies, except in the case of consumers who generate their own power. These self-generating companies will submit tax returns on their own behalf. The tax returns will be due on the 15th day of the second month following the month in which the tax is collected from the consumers.

Chapter 347:6, Laws of 1997 also repeals RSA 83-C (Franchise Tax on Electrical Utilities) on the same date the Electricity Consumption Tax shall become effective, May 1, 2001. A final return, for the period ending April 30, 2001 and payment of any taxes due under RSA 83-C shall be filed on or before July 15, 2001.

The new statute (RSA 83-E), administrative rules (Rev 2600) and tax forms (DP-133 & DP-134) are available at our web site www.state.nh.us/revenue. All other questions and requests for information regarding the Electricity Consumption Tax and repeal of the Franchise Tax on Electrical Utilities should be directed to the NH Department of Revenue Administration, Audit Division, P.O. Box 457, Concord, NH 03302-0457 or by calling (603) 271-3400.

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 Audit Division at (603) 271-3400.