

Bill as Introduced

SB 56-FN -AS AMENDED BY THE SENATE

03/16/11 0688s

2011 SESSION

11-0943
09/10

SENATE BILL *56-FN*

AN ACT authorizing the department of revenue administration to accept credit card and debit card payments of taxes.

SPONSORS: Sen. Odell, Dist 8

COMMITTEE: Ways and Means

AMENDED ANALYSIS

This bill authorizes the department of revenue administration to accept credit card and debit card payments of taxes.

Explanation: Matter added to current law appears in *bold italics*.
 Matter removed from current law appears ~~[in brackets and struck through.]~~
 Matter which is either (a) all new or (b) repealed and reenacted appears in regular type.

STATE OF NEW HAMPSHIRE

In the Year of Our Lord Two Thousand Eleven

AN ACT authorizing the department of revenue administration to accept credit card and debit card payments of taxes.

Be it Enacted by the Senate and House of Representatives in General Court convened:

1 1 New Section; Credit or Debit Card Payment. Amend RSA 21-J by inserting after section 43
2 the following new section:

3 21-J:43-a Credit or Debit Card Payment. The commissioner of the department of revenue
4 administration and any authorized employee or agent of the commissioner may accept credit cards or
5 debit cards in the payment of any of the taxes, penalties, interest, or fees administered by the
6 commissioner or collected by the department. The department may add to the amount due, in
7 addition to any tax, penalties, and interest payable, a service charge for the acceptance of the credit
8 card or debit card, as approved by the department. The department, at the time of billing, shall
9 disclose the amount of the service charge. The commissioner shall adopt rules, pursuant to RSA 541-
10 A, as necessary for the administration of such electronic transactions.

11 2 Effective Date. This act shall take effect 60 days after its passage.

LBAO
11-0943
02/04/11

SB 56-FN - FISCAL NOTE

AN ACT authorizing the department of revenue administration to accept credit card and debit card payments of taxes.

FISCAL IMPACT:

The Department of Revenue Administration states this bill may decrease state general fund expenditures by an indeterminable amount in FY 2012 and each year thereafter. This bill will have no fiscal impact on state, county and local revenue, or county and local expenditures.

METHODOLOGY:

The Department of Revenue Administration states this bill authorizes the Department to accept credit card payments of taxes. The Department states although electronic payment will result in savings to the Department, they are unable to determine the exact fiscal impact at this time. Over the past two years, the Department has averaged the receipt and subsequent deposit of approximately 265,000 checks. The handling cost of those checks is approximately \$592,553 annually, and the state pays approximately \$87,000 annually for armored car services, and \$18,550 in bank fees. The Department states the cost to the State to process electronic credit/debit card payments is \$0. The Department also does not anticipate any start-up or maintenance costs associated with this bill.

Amendments

House Finance
May 10, 2011
2011-1837h
09/05

Amendment to SB 56-FN

1 Amend the bill by replacing section 1 with the following:

2

3 1 New Section; Credit or Debit Card Payment. Amend RSA 21-J by inserting after section 43
4 the following new section:

5 21-J:43-a Credit or Debit Card Payment. The commissioner of the department of revenue
6 administration and any authorized employee or agent of the commissioner may accept credit cards or
7 debit cards for the online payment of any of the taxes, penalties, interest, or fees administered by the
8 commissioner or collected by the department. The amount of any service charge required to be paid
9 by the taxpayer to the credit card or debit card service provider to cover the provider's cost of this
10 service shall be determined by the department through a competitive bid process, and the service
11 provider shall add this charge to the amount due, in addition to any tax, penalties, and interest
12 payable. The department, at the time of billing, shall disclose the amount of the service charge to
13 the taxpayer. The commissioner shall adopt rules, pursuant to RSA 541-A, as necessary for the
14 administration of such electronic transactions.

Committee Minutes

HOUSE COMMITTEE ON FINANCE

WORK SESSION ON SB 56-FN

BILL TITLE: (New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes.

DATE: May 05, 2011

LOB ROOM: 210-211 **Time Work Session Called to Order:** 1:30

Time Adjourned: 2:05

(please circle if present)

Committee Members: Reps. Weyler, L. Ober, Umberger, Kurk, Emerton, Rodeschin, Belvin, Elliott, Vaillancourt, Allen, Garcia, R. Barry, Cebrowski, Wm. Smith, Sova, Keane, D. McGuire, Simard, Twombly, Worsman, Foosse, Nordgren, Baroody, Benn, Leraudeau and Rosenwald.

Rep. Kappler and Rep. Chase temporarily replaced Rep. Emerton and Rep. Worsman.


Bill Sponsors: Sen. Odell, Dist 8

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

It was determined an amendment needs to be prepared. Rep. Kurk will take lead.

Respectfully submitted,


Rep. Karen Umberger,
Clerk

Motions: OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

HOUSE COMMITTEE ON FINANCE

WORK SESSION ON SB 56-FN

BILL TITLE: (New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes.

DATE: May 05, 2011

LOB ROOM: 210-211

Time Work Session Called to Order: 13:30

Time Adjourned: 2:05

(please circle if present)

Committee Members: Reps. Weyler, L. Ober, Umberger, Kurk, Emerton, Rodeschin, Belvin, Elliott, Vaillancourt, Allen, Garcia, R. Barry, Cebrowski, Wm. Smith, Gova, Keane, J.D. McGuire, Simard T. Twombly, Worsman, Foose, Nordgren, Baroody, Benn, Leraudeau and Rosenwald.

Bill Sponsors: Sen. Odell, Dist 8

Rep Kappeler
Rep Chase

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Determined amendment needs to be prepared
Rep Kurk will take lead.

Motions: OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

HOUSE FINANCE COMMITTEE

Legislative Office Building, Rooms 210-211

Concord, NH

Thursday, May 5, 2011

SENATE BILL 56-FN, AN ACT authorizing the Department of Revenue Administration to accept credit card and debit card payments of taxes.

TESTIMONY OF:

Tom Cronin	Pg. 1
Melinda Cyr.	Pg. 4
Kevin Connor	Pg. 27
Tom Kehr	Pg. 41

CHAIRMAN WEYLER: Good morning. Welcome to the Finance Committee. It being 10 o'clock, we'll open the public hearing on Senate Bill 56, authorizing Department of Revenue Administration to accept credit card and debit card payments of taxes. Senator Odell is the sponsor and he sends along his staff member, Tom Cronin, to introduce the bill. Welcome to Finance, Mr. Cronin.

TOM CRONIN, Majority Caucus Director, Senate Majority Office, N.H State Senate: Thank you, Mr. Chairman. Good morning, Mr. Chairman, Members of the Committee. For the record, my name is Tom Cronin. I'm the Senate Majority Caucus Director. On behalf of Senator Odell, I'm here to quickly introduce Senate Bill 56, legislation authorizing the Department of Revenue to accept debit and credit cards payments for the payment of taxes. Senator Odell does apologize he couldn't be here this morning. Otherwise detained by Senate Committee work.

This legislation is about as straightforward as it sounds. It simply brings the DRA into the 21st Century by

giving them the authority to accept payments in the same way that many other states and even the counties in this state are allowed to do. Moreover, the legislation will provide greater flexibility to taxpayers and another step for simplifying the way in which New Hampshire citizens interact with their government. This legislation passed both the Senate Ways and Means Committee and the Senate Finance Committee with full support and was approved by the full Senate on voice vote and as you all know recently passed the House on the Consent Calendar. I certainly will take any questions but I know representatives of DRA are here and they might be a little bit better resources as far as the technicalities of the bill.

CHAIRMAN WEYLER: Thank you, Mr. Cronin. Questions from the Committee? Representative Ober.

REP. OBER: We do have a Fiscal Note on this.

MR. CRONIN: Hm-hum.

REP. OBER: And the note says that there is a budget neutral situation on this. In crafting this note, I'm sure Senator Odell looked at that because I know when I have a Fiscal Note on a bill I look at it carefully before it goes to Committee. How did you decide or he decide that it would be absolutely budget neutral?

MR. CRONIN: I believe that probably it be a better question for the two representatives of DRA behind me.

REP. OBER: Is the answer to that the Senator didn't look at that. He depended on the Fiscal Note to validate --

MR. CRONIN: I certainly wouldn't say that on behalf of Senator Odell. I am sure he did look at it, but I don't know the answer to the question.

CHAIRMAN WEYLER: Representative Simard for a question.

REP. SIMARD: Thank you, Mr. Chairman. Can you tell me what the percentage on the service charge is and who determines that?

MR. CRONIN: I believe the number was 2.75%. Is that what you guys had?

REP. SIMARD: I'm sorry, what was that?

MR. CRONIN: That's definitely a better question for DRA. They do know the answer. It was in the Senate Committee report on the legislation. But I think it's a little bit in flux so probably be a better question for them.

CHAIRMAN WEYLER: Representative Rodeschin for a question.

REP. RODESCHIN: Thank you. I think this is more for you. When the Senate sends over their staff member they cannot answer questions because it's up to the Senator to answer the questions so refrain from asking him questions.

REP. OBER: Are you suggesting we should recess until the Senator can come?

REP. RODESCHIN: No, I'm not; but he cannot answer questions for the Senator.

CHAIRMAN WEYLER: Thank you, Representative Rodeschin.

REP. RODESCHIN: You're welcome.

CHAIRMAN WEYLER: Thank you, Mr. Cronin.

MR. CRONIN: Thank you.

CHAIRMAN WEYLER: We now have coming from the Department of Revenue Administration Mindy Cyr and Brian Page -- Pace? Brian Pace?

BRIAN PACE, Project Administrator, Bureau of Administration, Department of Revenue Administration:
Pace, thank you.

CHAIRMAN WEYLER: Page?

MR. PACE: Pace.

CHAIRMAN WEYLER: Pace. Okay.

MELINDA CYR, Tax Policy Analyst, Bureau of Administration, Department of Revenue Administration: Good morning.

CHAIRMAN WEYLER: Thank you for coming. Good morning.

MS. CYR: Thank you. Good morning, Mr. Chair, Members of the Committee. For the record, my name is Mindy Cyr with the Department of Revenue. With me today is the project manager for the Department, Brian Pace. We had a number of different bills that went through for sponsorship with Senator Odell. This was one piece that we were very grateful that he was sponsoring. We'd be happy to answer some of the questions that we already heard. By way of background, the Department, I'm sure that you may have heard through budget process or other conversations, that we've been modernizing through our computer systems, looking to do more e-Filings, scanning, trying to get into the 21st Century with our processing and with the ability of the taxpayer to file and pay with the Department more efficiently and more contemporary with what they're doing with other State agencies. This was a tool or option for the taxpayer. They do not have to pay by credit card. It's just another option they would be given. What the process would go through is -- and Brian can probably get into some technical aspects of this. I'll give you kind of an overview.

It would be through a third party vendor. Typical to

what you would see if you go on-line to buy something, and you go to pay with credit card, it asks you which credit card, you would click on it and go through that process. The State would not be a merchant in this case. It actually be on the Department Website where the taxpayer when they wanted to pay on-line would click a button. You'd be taken to that third party vendor site and then you would be processed through that. I have handouts here I can pass along to show you that other towns and cities are doing this currently. Counties are doing it. And actually, most recently when I was testifying before the House Ways and Means Committee, it came to my attention that the Secretary of State's Office is now doing this. When you register a business, or you're putting your Annual Report, filing your annual payment, you would do so on-line. So what I've done is I've kind of taken a snapshot of different web sites so you can see what it looks like.

There was a question about the convenience fee that's brought on, and that goes to the question I think Representative Ober had with the cost or the Fiscal Note. The Department of Revenue is the one who drafts the Fiscal Note to the bill and to tax bills that come through. With this particular bill, we didn't see, 'cause there was no cost to the State for this processing. It's through the third party vendor. The third party vendor handles it all. The convenience fee is the amount that's then taken as a transaction for that process. The State is not a merchant so there's nothing that we would be costing out.

In the Fiscal Note we identified that we would actually see a savings in this. Would that savings be entirely immediately? Probably not. But we are hoping as everyone sees like through the IRS people start e-filing more, e-paying more that it would be less paper processing. So when we did the Fiscal Note, we identified the fact that annually right now we process paper checks approximately costing us close to \$600,000. The amount was \$592,553 and that's to process the checks that we receive manually now. In addition to the savings cost, we in processing those

checks take in about 18,000 in bank fees to process. We also have armored car service to do the transactions from the Department to the bank and that costs about \$87,000 annually. So what we are anticipating in the Fiscal Note, there's no cost. We would put an RFP out that would actually go through G & C process for approval, Governor and Council process for approval when we look for the third party vendor. There's no cost to the State. So we are looking at having a savings and the amounts that I showed you is what we're anticipating. Would everyone start paying on-line right away? Probably not. Again, it's an option. But we are hoping that people would use more and more electronic means. And in using electronics means also gets the money in quicker. I think Brian was saying that it looks like once the transaction happens within 24 hours that money would go into the State bank account. So we are trying to move away from a manual process with the Department. This is one way of giving an option to the taxpayer to have another opportunity to pay electronically for their convenience. I can pass out the handout which shows some -- what the web sites look for some of the other agencies or towns that do this. The rates, the convenience fee rates differ and that's actually identified in some of the handouts. Currently, I think with the Internal Revenue Service they have rates between 1.59 to 2.75 depending upon whether you're using a debit card or a credit card. Sometimes --

CHAIRMAN WEYLER: Mr. Kane is waiting for you to give him the handout so he can pass them out.

MS. CYR: Thank you. And it really depends on the negotiation with the third-party contractor as to what we can get for a rate. Currently, you know, in finding out the Secretary of State's Office is doing this with a third-party vendor, the question was asked during House Ways and Means: Could we kind of consolidate and work with that contract? Well, we would hope that we would like to consolidate states with having one contract. But we would really like to re-negotiate that contract because we feel

we'll be taking in a lot more money than wouldn't maybe some of these simple filing fees that the other agencies would take in. We would be taking in a lot more money. Therefore, our rates should be considerably less. We'd really like to negotiate those rates as low as we can for the taxpayers. I don't know if Brian wants to add anything else. If you have any questions, we'd be more than happy to try to answer them for you.

CHAIRMAN WEYLER: Okay. Mr. Pace, did you want to add anything?

MR. PACE: No. I think Mindy summed it up very well. Thank you.

CHAIRMAN WEYLER: All right. I got a whole list of people here. Representative Rosenwald.

REP. ROSENWALD: Thank you, Mr. Chairman. When I pay my I&D taxes, I pay them on-line through a direct bank draft and there's no cost to me. Will taxpayers lose that option if this bill goes forward?

MS. CYR: They will not. As far as -- and I probably should --

MR. PACE: That's absolutely correct.

MS. CYR: -- let Brian. He's the project manager coordinating all of the e-Filing and e-Paying and modernization that's happening with the Department. But that option will not change. No.

REP. ROSENWALD: Thank you.

CHAIRMAN WEYLER: Representative Kurk for a question.

REP. KURK: Thank you. I see an opportunity here for the State to make money. But not just save money but save money and make money. Could you explain how much it would

cost me as a taxpayer to use this service? Because you said it doesn't cost the Department anything and you get your money within 24 hours. How much will it cost me?

MS. CYR: It would not cost the State any money to get this contract and get this service running. As the taxpayer when you would go on and make your payment and click and go through to the third party, that rate, that percentage rate would be based on what we could negotiate with the third party contractor. And as I was stating, those -- those rates of what they would charge for the convenience fee on top of, for example, let's say you had taxes due, business taxes due, you wanted to pay on-line. You have the option to do so. Again, you don't have to. You would click on it. It would -- it has to disclose to you the amount of the convenience fee at that time. So you can decide whether you want to do that or not and what the charge would be. I'm seeing a range, I think, from the Internal Revenue Service who's currently doing it from 1.95% to 2.75%. So I can't guarantee right now what that amount would be. It really is going through Governor and Council contracting services.

REP. KURK: Follow-up?

CHAIRMAN WEYLER: Follow-up.

REP. KURK: So let's assume it's 2%. What is the total amount of taxes that we collect, that your Department collects? Do you collect a billion dollars, five hundred million per year?

MS. CYR: In total taxes? Probably close to 1.3 billion.

REP. KURK: 1.3 billion. Let's assume \$500 million of this is paid. What's 2% of 500 million?

MS. CYR: Now you're going to make me do math.

CHAIRMAN WEYLER: A million.

REP. KURK: A million. That's all?

CHAIRMAN WEYLER: Oh, only a million.

REP. KURK: It's got to be more than that.

REP. CEBROWSKI: Ten million.

REP. KURK: 10% would be 50 million. Yeah. \$10 million. Okay. So the people under my hypothesis, the people of the State are going to pay somebody \$10 million. Plus, if they don't pay within 30 days and they used it on a credit card they're going to pay 13% up to 30% depending. So we have a chance to offer the same service, do we not, and make the \$10 million?

MS. CYR: The State does not collect that convenience fee. That is for the third-party vendor; hence why there's no cost. Am I misunderstanding?

REP. KURK: Yes. Pretend you're an entrepreneur for a moment, not a State employee. Okay. You have an opportunity to make money by providing folks another service. You're going to let them delay payment or pay in a more convenient fashion, but they're going to have to give you an extra 2%. So if they owe you a thousand dollars they're going to have to pay a thousand twenty. We have just raised taxes in this state by \$20 million at the option of the taxpayer. So, if you can't save net \$10 million on the 500 million, that's a supposition, and including the costs and so forth, then your proposal makes sense. But if you can save more than that, I think there's an opportunity here to make money, 2%.

MS. CYR: I see what you're saying now.

REP. KURK: So -- if I may?

CHAIRMAN WEYLER: I'm sure she's eagerly awaiting the

ability to e-File.

REP. KURK: Will you please provide us with what it would -- what it would profit the State to offer this service rather than using a contractor itself? I understand some additional cost but look at all that extra revenue you're going to get.

MS. CYR: I can investigate that for you. Yes.

REP. KURK: Thank you.

CHAIRMAN WEYLER: Especially if we did it for all 50 states. Representative Sova.

REP. SOVA: Yes. The bill says that the Department may add an amount as a service charge. It strikes me that the cost of processing the way we are handling the money right now would be diminished if we went to the credit/debit card system. If that's the case, why take those people who are diminishing your cost and charge them extra?

MS. CYR: And that's a good question. Again, it relates to why there's no cost to the State to provide the credit card ability. Because that cost is not being received by the State. It's going to the third-party vendor for their processing.

REP. SOVA: I understand -- follow on?

CHAIRMAN WEYLER: Follow-up.

REP. SOVA: But my point is that you should be charging the service charge to those who use -- send in the checks to try and get them from sending in the checks and sending -- using a credit card. Because you're discouraging people by adding a service charge and them using that.

MS. CYR: I see what you're saying. Yes.

REP. SOVA: Thank you.

CHAIRMAN WEYLER: Representative Cebrowski.

REP. CEBROWSKI: Thank you, Mr. Chairman. Good morning.

MS. CYR: Good morning.

MR. PACE: Good morning.

REP. CEBROWSKI: How many positions do you think we'll be able to eliminate in Revenue Administration because we are going to -- since we are not doing this manually anymore? I can envision having been on this on the business side, we could really do this with a lot fewer people and I'm assuming that you've really done an analysis inside the Department to see where you can save head count. And I'd love to hear that analysis.

MS. CYR: I don't know that I can speak to that analysis. We have gone through the budget process, and we have through the House, the Governor's Budget, the House Budget and now through the Senate are seeing that there's going to be employment reduction within the Department. The Commissioner and Assistant Commissioner would probably have to speak to you how they see reorganization happening in with that modernization. I don't know if Brian can speak more to the project itself whether this actually is replacing employees. I don't think that's what the anticipation was. But it's maintaining business through what we are seeing now from our -- the budget reductions that are happening.

MR. PACE: There is a current third party that provides the ability for taxpayers to e-File and pay on-line. And in time, I would like to think we bring that functionality in-house and avoid those costs associated with that third party.

REP. CEBROWSKI: Follow-up?

CHAIRMAN WEYLER: Follow-up.

REP. CEBROWSKI: You didn't see any savings in head count, is that what I'm hearing you say?

MS. CYR: I don't know that I can answer that. I could get back to you on it.

REP. CEBROWSKI: I'd appreciate it.

MS. CYR: I think that would be an answer for the Commissioner or Assistant Commissioner as to how they want to reorganize and what they foresee in doing it; but I can get back to you on that.

REP. CEBROWSKI: Thank you.

CHAIRMAN WEYLER: Representative Benn for a question.

REP. BENN: I just want to make sure I understand. Representative Rosenwald says that she files electronically for a bank draft. So that's a very direct and simple method. What you're really providing here is an opportunity for people to finance their taxes.

MS. CYR: Yes.

REP. BENN: That's really what you're providing. It's not the convenience anymore than what Representative Rosenwald does. But it's really this opportunity, and I don't think that's a good idea, to promote financing of tax payments but that's really what this would allow.

MS. CYR: It's the difference -- you're correct. It's the difference between paying by credit card, which does give -- have the 30 days essentially credit that's occurring versus the bank transaction where you be debiting right from your account immediately. So it's a different

type of electronic transaction. We currently do, as the Representative pointed out for I&D this would, again, be giving the opportunity for credit card which is a different type of electronic transfer.

REP. BENN: Thank you.

CHAIRMAN WEYLER: We have a request to be just a couple inches from that microphone.

MS. CYR: Oh, I'm sorry.

CHAIRMAN WEYLER: Representative Rodeschin.

REP. OBER: You need to pull it closer.

MS. CYR: Oh, closer? Okay.

REP. KURK: About four inches.

REP. OBER: A lot closer.

MS. CYR: We'll speak a lot louder, too.

REP. OBER: You need to pull the microphone closer. It doesn't pick you up unless it's right in front of you.

MS. CYR: Okay. Is this much better then?

REP. OBER: Yes.

MS. CYR: Okay. My apologies.

REP. RODESCHIN: Thank you, Mr. Chair. Some people default on their credit card. Every now and then you get these phone calls that your personal phone and say let me tell you what your credit score is and blah, blah, blah. Now can that happen that the Department does not receive the payment on their credit card or debit card because there's not enough money available? What do you do?

MR. PACE: To my knowledge, if the credit card company -- if the third party transaction company authorizes the payment then we will receive payment and anything that happens subsequent to that between that third party and the customer is between the third party and that customer.

MS. CYR: And to add to that, my assumption would be similar to if a check was to have insufficient funds, then there would be follow-up from the Department if that payment isn't made through whatever type of transaction you're doing.

REP. RODESCHIN: So you do that check. Further?

CHAIRMAN WEYLER: Further question. Follow-up.

REP. RODESCHIN: You do that check on that individual before you process the debit card or credit card?

MR. PACE: My assumption it's part of the authorization process when you go to make the payment fee of that third-party provider.

MS. CYR: Once you've made that payment you will get a -- I forget what they --

MR. PACE: E-Receipt.

MS. CYR: An E-Receipt indicating the transaction has occurred. So through that transaction process with the credit card company they're authorizing that payment is able to go through.

REP. RODESCHIN: One last question. What if they don't have the funds in their credit card or debit card? How do you handle that?

MR. PACE: I guess my suggestion would be very similar to you using your credit card/debit card at a store today.

If your card is not valid or you don't have the sufficient funds, the transaction would not go through.

REP. RODESCHIN: Okay. Never mind.

CHAIRMAN WEYLER: Representative Smith for a question.

REP. SMITH: Thank you, Mr. Chairman. What in this bill or in other legislation controls the size of the service charge? It looks like it's established by the Department. Is there any control of the amount of that charge?

MS. CYR: The control and the amount of that charge is through the RFP which is a contracting process when we are hiring a third-party vendor. That would be going through the Governor and Council approval process. So we, as the Department, would negotiate with a third-party contractor to get the best rate possible for the taxpayers and then that contract has to be approved through the Governor and Council process. So it would be reviewed by them, and if not approved or denied or however that process works.

CHAIRMAN WEYLER: We have someone from DRA that's going to testify next to tell us about the contracts and so on? Representative Vaillancourt for a question.

REP. VAILLANCOURT: Thank you, Mr. Chairman. Maybe you can just help me out by alleviating any fears I might have as to the legality of this. It seems when I was on Ways and Means we were talking about, and I've noticed you've done this on the citation tickets for traffic violations and things, seems there was some legal problem regarding adding a fee on. Have they got around that by paying it directly through the vendor? Can you tell me the history of any challenges legally that have been made to this kind of thing?

MS. CYR: I know that there has been some issues about service charges that credit cards might attach to it. This is more a transaction convenience fee. And I can do a more

legal history for you and provide that for you. I don't have it with me, but I know that that has been worked out in the last several years. Visa, I do know, is still in some respects, I don't know if I've seen them in this state, but Visa you can't pay by Visa because Visa still requiring their card members not to participate for certain reasons. They want certain charges or so it's within Visa. But Discover, American Express and Master Card have all started participating in this and I think the essential legal constraints of the service charges that were being added went away when it's more of a convenience fee; but if you'd like more information I can get that for you.

REP. VAILLANCOURT: Mr. Chairman, I actually don't know. I just need assurances it has been resolved.

MS. CYR: That is my understanding.

CHAIRMAN WEYLER: Thank you. Representative Kurk for a question.

REP. KURK: Thank you, Mr. Chairman. Another money making opportunity. In exchange for my 2%, you get your money sooner. Do I then have a bill that I have to pay on my credit card? How do I get my money to the third-party vendor?

MS. CYR: It be my understanding just like any credit card you're making a purchase, the money would go to the entity that's receiving that transaction which would be the State in this respect. And then your bill would come in and you would have to make that payment to the credit card company.

REP. KURK: So that if I had a poor credit record and I had a 29% rate, I would pay 29%. One of my colleagues having a better credit record would only pay the 13%. But that would be an arrangement that I had and my colleague had with our respective credit card companies.

MS. CYR: With the credit card company, yes.

REP. KURK: I see. Further question?

CHAIRMAN WEYLER: Follow-up.

REP. KURK: The State now charges interest, does it not, on late payments?

MS. CYR: Yes, it does.

REP. KURK: Could you tell us what the rates are?

MS. CYR: Brian, do you have that?

MR. PACE: I do not know.

MS. CYR: I do not have that off the top of my head.
No.

REP. KURK: Eighteen percent?

MS. CYR: No, no. I want to say it's around 6%. Don't quote me. I think it's around 6% currently.

REP. KURK: Are you going to advise people on the Website that you have a choice of paying the State 6% or your credit card company 13 to 29%?

MR. PACE: I think the first choice the taxpayer has is just to make the payment via check or via some other means without using a credit card. It's a convenience for the taxpayer, not something we are forcing on the taxpayer.

REP. KURK: I understand; but in order to have a transparent Website and a fully informed taxpayer group, we are legislators and we're taxpayers, I want to know the whole cost. So you need to tell me on your Website choice, pay with check and avoid all charges. Take advantage of the convenience fee, get hit with a 2% charge plus 13 to 30% on

your credit card, or delay payment until you have the money and we'll hit you with a 6% interest charge, 'cause the State has a bargain. We know what's going to happen if you give all of that information. Any rationale person would delay payment and inconvenience to save 6%. So here's the proposal. Let's raise the State rate -- Representative Vaillancourt will not support this -- but let's raise the State rates to roughly the same rate the credit companies charge and then allow people to use the State instead of their credit card company and we make the interest.

CHAIRMAN WEYLER: I'm sure we're all eagerly awaiting the bill you're going to file.

REP. KURK: Excuse me, 36% or 403%, whatever your choice is. My point is if you folks are only looking at providing convenience, you're missing an opportunity to make some money and, in effect, either allow us to pay for other services we can't afford or reduce tax rates.

CHAIRMAN WEYLER: I'm sure there's a question there, but it's probably not one that Ms. Cyr is ready to answer.

REP. KURK: Thank you.

CHAIRMAN WEYLER: We'll go on to Representative Ober.

REP. OBER: Thank you. I'd like to revisit my question which you did not answer. I originally asked how we figured out if this was going to be budget neutral. What you did, you gave the percentage that the credit company, the third-party vendor might charge, and you gave us a range from 1.9 to 2.7. That's one side. You did not tell us how much money per transaction it now costs you to process a check so that we could see if we were really budget neutral. So could you complete that equation, please?

MS. CYR: As we have in the Fiscal Note, and I was talking earlier about the \$592,553, that's the annual

amount per check when we are processing the checks that come through the Department. And --

REP. OBER: Per check.

MS. CYR: Per check I'm going to say that might come down to about \$14 per check. In fact --

REP. OBER: What percentage of that is that?

CHAIRMAN WEYLER: About a dollar.

MS. CYR: Brian might be correcting me.

MR. PACE: We receive 265,000 checks.

CHAIRMAN WEYLER: Less than a dollar a check.

MR. PACE: It's under \$2 per check.

CHAIRMAN WEYLER: Less than a dollar.

MR. PACE: Less than \$2. \$265,000 and it costs -- 265,000 checks. It costs \$593,000 to process those checks.

CHAIRMAN WEYLER: Okay.

REP. OBER: Okay. Less than two -- less than \$2 to process the check.

MR. PACE: Plus the bank fees. I'm sorry.

REP. OBER: Now I need the total fee per check. What does it cost you to process a check in total, transportation, everything?

MR. PACE: Have to do a little math but I can certainly provide you that number.

REP. OBER: I think we are going to need that, because

you wanted to say it's budget neutral. You give us a percentage what the third party is going to cost, but you can't give a percentage of what it cost to process the check. And so I'm not quite sure how we got to budget neutral. And I know that the Department writes Fiscal Notes, but I would have expected that Senator Odell would have gone over this with you because that is what makes the Fiscal Note either budget neutral or not. And that's all Finance cares about. Representative Kurk I know cares about the fact that he does agree how much interest he pays. But that's a personal issue that he's got. I know what my interest is. I also know that I pay my credit card completely so I pay zero interest so it doesn't matter. But Finance Committee needs to be making a financial decision. So you've given us the percentage and I understand that of the third party and I know that we have supported third parties with credit cards in the past, because we had a Bill last year on field purchase orders both houses supported and they are working on it. But we don't have the accurate figure to determine whether this is budget neutral.

And my second question, Mr. Chairman, and you'll get back to us, you have said in your bill, quote, the Department may add to the amount due in addition to any tax penalties and interest payable a service charge for the acceptance of the credit card or debit card as approved by the Department. You just testified that that would be a Governor and Executive Council process. I do not see that in the bill. So how do you think this gets to them when I read the bill differently? What am I misreading in the bill to say that, because that seems to be only the Department? And if you could point to the line in the bill that corrects me I would appreciate it.

MS. CYR: The language in the bill is mirrored verbatim from the language that's contained in -- it's two -- it's the county and the towns currently. I can cite the statute. It is modeled after the town statute which is RSA 80:52-c and the counties' provision which is RSA 29:11-b

where they have that same language where the town or the city then having that charge. The charge itself would be designated by the Department when it's determined through the contract process by taking the third-party vendor. We do the RFP process. We get the contracts in. We review the best contracts and go forward to G & C. G & C would approve that contract. That amount then would be what would be charged. And, therefore, the Department would then take that in, put it on the web site when they have the disclosure of this is what it would be paid. So when they are having the Department it's actually talking about what's been approved by the Governor and Council for that rate. The Department itself would not be creating the rate itself. It's through that process of what the contract ultimately says if Brian is in agreement with what --

MR. PACE: I am.

REP. OBER: Based on that we really need to modify this to carry all that. Because right now the bill says the Department will do it. It makes no reference to the RSA's you just referenced.

MS. CYR: We'd be more than happy to entertain an Amendment that you feel would better reflect that. We took language that is currently in practice with the towns and cities doing the same thing. So we'd be more than happy to get language that you would feel reflects that better for you.

CHAIRMAN WEYLER: Representative Simard for a question.

REP. SIMARD: Thank you, Mr. Chairman. I'm just trying to get a handle on what Representative Kurk had presented as a possible opportunity. And the downside of employing a third party. And it would seem to me that a third party, the only benefit we have there is it keeps all of these transactions at an arm's length. But I'm trying to think is what would the downside of not having a third party and the State performing this function itself? What is the

downside of that?

MS. CYR: I think the downside, not having researched myself, is going to be the cost to the State in becoming the merchant rather than having the third party who, again, that transaction fee that's occurring goes to the third party, not to the State. So there's no cost to the State to get that contract. The contractor's getting paid through that transaction fee. The State becomes the merchant then the State would be having a cost associated with becoming that merchant. Not that that's a downside. I'm just indicating that's the difference between the two.

CHAIRMAN WEYLER: You may get further discussion when Mr. Kehr gets a chance to speak. Representative Benn for a question.

REP. BENN: Thank you, Mr. Chairman. I'm always intrigued by Representative Kurk's ideas, also. I was wondering if we followed that scenario, could the State offer frequent flyer miles.

CHAIRMAN WEYLER: Representative Cebrowski.

REP. CEBROWSKI: Thank you, Mr. Chairman. Could you help us understand where the source of this initiative came from? Were you getting a lot of pressure from business owners or from individual taxpayers or is this purely an initiative that bubbled up within the Department? Or was it purely Senator Odell's idea? And what was the size or scope of that initiative or that pressure?

MS. CYR: I think it may have come from a number of different areas. It came from taxpayers and I will use taxpayers but it's actually operators of meals and rentals, licensed operators so restaurants and hotel. They're not the taxpayer. They collect the tax from the consumer --

REP. CEBROWSKI: Yes.

MS. CYR: -- and then pass it to the State. In many instances the Department was hearing from the operators who wanted to have the convenience of just paying by credit card. And we had to apologize saying we didn't have that opportunity for them. It also comes up in discussion through other taxpayers who are asking to pay their bills on-line and we didn't have that ability. It also comes from the fact that through our modernization in getting to E-Filing and E-Paying and modernizing the transaction and process less manually and more electronically with the Department that that's an option we see that that mirrors what's happening with the Internal Revenue Service at this time, also. So it comes from a number of different sources.

REP. CEBROWSKI: Thank you. Thank you.

CHAIRMAN WEYLER: Representative Vaillancourt.

REP. VAILLANCOURT: Thank you, Mr. Chair. I'd just like to try to help us simplify because I think we are making this far too complicated.

CHAIRMAN WEYLER: I agree.

REP. VAILLANCOURT: Let me ask you this. When you talk about it being revenue neutral, that is to say that it's revenue neutral from the amount you're going to get because the 1.59, 2.75, will make the State whole and revenue neutral; am I correct?

MS. CYR: Yes.

REP. VAILLANCOURT: Let me follow-up by saying it's not going to be totally revenue neutral. The State is actually going to make money on this because every time you have to not process a check, and I don't think we need you to do the math for us, we can do it, it cost you \$2.23 to do a check. I'm not covering the armored car cost because I assume you're still going to have to have the armored car costs.

MS. CYR: Yes.

REP. VAILLANCOURT: While not being revenue neutral, it's going to save the State, am I correct, approximately \$2.23 everybody that uses this and does not send a check.

MS. CYR: Yes, you're correct.

CHAIRMAN WEYLER: Thank you. Representative Belvin.

REP. BELVIN: Thank you, Mr. Chairman. We seem to pile on issues we think we understand as participants. I'm looking at it from the taxpayers' perspective and taxpayers' behavior. Set aside the innovative comments of one of the representatives here today and stick with the original model, if you will, please. And the question is coming. The taxpayer does a credit card payment. Goes to the third party. You get the cash. It's now up to the third party to go back to the taxpayer and collect payment. And I'm wondering how would that taxpayer make the payment? Would they write a check? Piece of paper? Would they use another credit transaction? And if I have sufficient funds rather than go through this two-step loop, I'll just write a check to DRA and be on my way. How successful are we going to be in this?

MR. PACE: I would add one aspect to that, sir. You can also make your electronic payment via e-Check payment at no cost via the third party. So if you have the funds in your account and you want to file electronically, you can just use your routing and check number and make that payment without any cost to yourself --

REP. BELVIN: Thank you.

MR. PACE: -- as the taxpayer.

CHAIRMAN WEYLER: Representative Baroody, I hope it's the last question.

REP. BAROODY: Okay. I would love to jump on the band wagon with Representative Kurk and make more money, but I think what the third party does, and Representative Belvin hit on it, when a third party collects, pays the State, the State has got their money. The third party has to go and chase them for the money and our courts are full of people that don't pay their credit cards.

CHAIRMAN WEYLER: We don't care.

REP. BAROODY: I don't think the State would want to hire a lot of lawyers to go into court to go after credit cards.

CHAIRMAN WEYLER: I agree. Representative Nordgren for I hope it's the last question.

REP. NORDGREN: I am sorry, Mr. Chair. I agree with whoever said we're making this more complicated. I mean, I can't even believe it. We, obviously, are filling the time allotted.

CHAIRMAN WEYLER: I noticed that.

REP. NORDGREN: This is till 11 o'clock.

REP. KURK: That's why you're the last question.

REP. NORDGREN: The question -- the would you believe is that the person pays with their Visa card. They get a bill from Visa. They pay it like they pay any other Visa card bill. It's not an individual transaction. And if they don't pay their Visa card bill they get in trouble. But they don't just get in trouble because of our charge, so.

CHAIRMAN WEYLER: Thank you.

REP. NORDGREN: Would you believe?

MS. CYR: I would believe.

CHAIRMAN WEYLER: Ms. Cyr, Mr. Pace, people have asked you to send some information here. How quickly do you think you'll get it to us?

MS. CYR: I understand that at 1:30 you have a work session scheduled for this. And I will then shoot for 1:30. And I can go back to the office, work with John Lighthall who does our Fiscal Note, and try to get a hold of the Assistant Commissioner or Commissioner to answer some of the questions about the employment reorganization.

CHAIRMAN WEYLER: You can just call it in.

MS. CYR: Call the answer in? Okay.

CHAIRMAN WEYLER: 3615.

MS. CYR: Did you want us back for the work session then?

CHAIRMAN WEYLER: No. Because I'm afraid they'll take even more of your time.

MS. CYR: We appreciate that. We will be more than happy to be here if there's anymore questions.

CHAIRMAN WEYLER: Thank you very much. All right. Appreciate you both coming in.

MS. CYR: Thank you.

MR. PACE: Thank you.

CHAIRMAN WEYLER: Appreciate --

REP. ELLIOTT: Mr. Chairman, I don't have a question. I have a question for you when this is done --

CHAIRMAN WEYLER: I have another person to testify. You want the answer now or later?

REP. ELLIOTT: Now.

CHAIRMAN WEYLER: Okay.

REP. ELLIOTT: If there's no money involved, why are they coming to our Committee if there's no money that's involved? That's number one. Number two, that they have to get permission from us to use this system and they can only get it from the Finance Committee?

CHAIRMAN WEYLER: The decision was made above my level that because there was an FN on this we needed to look at it and it was to do the exhaustive analysis that we have done to make certain that it's not costing the State any money. Because I have looked at other schemes whereby -- I remember years ago the town -- when the town collected taxes on a credit card, it cost 4%, and they were not allowed to have the person write a check for the 4%, nor were they allowed to add it to the credit card to 4%. So many towns were not accepting it. But now they have worked out the scheme and obviously this convenience fee is something that the companies are entitled to collect which at the time the towns were not, so.

REP. ELLIOTT: Our mission is to make sure they're telling us the truth.

CHAIRMAN WEYLER: That it's revenue neutral and we also have Mr. Connor who is going to come next and tell us -- we had some illusions to it, the contract with the State, and Mr. Connor will be able to answer that question. I'll call next Mr. Kevin Connor from the Department of Administrative Services. Thank you for coming, Mr. Connor. With you is?

KEVIN CONNOR, Administrator, Fixed and Mobile Assets, Department of Administrative Services: Excuse me. For the record, my name is Kevin Connor. I'm the Administrator with

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Senate Bill 56-FN

Fixed and Mobile Assets and with me is Thomas Kehr. He's the Administrator of Rules and Procedure.

CHAIRMAN WEYLER: Very good. We are going to get to that in the next hour, the rules and procedures. We also have Senate Bill 161 before us. Welcome. Do you have a statement or you just want to start answering questions?

MR. CONNOR: Frankly, my apologies. I was unaware of this. Commissioner -- Assistant Commissioner Bouchard called me and asked us to come over to give you an overview of the existing statewide merchant card contracts and give you an overview of costs and what we currently have going.

Approximately two to three years ago, the State realized that many agencies had single source contracts with processors, Bank of America, First Data, et cetera. The State then went and did an RFP to consolidate all of those to try to get the benefits of approximately \$310 million worth of transactions which is about 5 million transactions a year to get that buying power, to get the best rate that we could in the marketplace. That contract was done approximately two and a half years ago. About a year and a half ago, we got funding to put a full-time person in in merchant card services that works in our office. There's approximately 20 agencies that are on the contract. This contract is Visa, Master Card, most of Discover, JCB. It is not with AMEX. We are negotiating with AMEX for a statewide contract now. We are in the second iteration of those negotiations.

Again, with 20 agencies, Liquor being the largest, probably about 95% of the merchant card transactions, and that's both credit and debit, run through the Liquor Commission. That creates a couple issues for the State. It brings us to what's called the Level 2 merchant, which has a fairly high visibility as far as PCI compliance. What we know when we talk about cost, the cost is not just dollars per transaction, what we actually pay the acquire and the banks, it is also about PCI compliance which is a

significant liability to the State. We don't have to listen to the news very often to see what's out there for credit card fraud, for personal identification. I think X-Box has it now where people's information is getting stolen. We have made a serious and concentrated effort in the past year to make the State as PCI compliant as we possibly can. It is a significant undertaking. When we took this over with 20 agencies none of them had policies. Today, we have policies and we are working on a statewide policy that will go to Governor and Council in the form of Manual of Procedure that of every agency that accepts credit cards under our contract will have to sign, from the Commissioner level to the actual person doing the transaction at the counter. It is significant. But the liability and the exposure to the State is more significant.

When we talk about costs, approximately, and it's different, our processor will charge us a processing fee. Our current processor is Bank of America Merchant Card Services. Their -- their fee is then added on to what's called an interchange fee and the brand, those being Visa, Master Card, et cetera, will set interchange fees based on the type of transaction, e.g., in person, not in person, swipe, et cetera. They'll set those fees. It is complicated so I cannot tell you that it is 3%, but I will tell you it's about 3%. That's what we -- when we sit down with an agency, we do several things. We ask them to estimate their sales volume that they anticipate that they'll do merchant cards for. We then go through what's called PCI requirements which is an industry standard set of requirements that you must meet to do -- to be compliant with PCI standards. They're written by Visa, Master Card, and AMEX. We are at the highest levels for that as a state. They consider the state one corporation. However, we consider the agencies all reporting entities to us so each one of them have to do an annual compliance. When we sit down with them, we say you have to recognize the costs for doing business, not only is it the 3% approximate which you're going to give a negative revenue for the bank and

the processor, it is also things such as network penetration costs, application penetration costs, we as a state have to do an annual -- hire a qualified security assessor. This is the first year we have had to do that. Why do we have to do it? It's based on the number of transactions that we do as a state. And it then requires us to have a third party come in and do audits. We finished this year with cooperation and partnership with DoIT a walk-through of every agency's processing that's gone on to ensure that when they're signing off on their annual compliance statement that they are compliant, 'cause our Commissioner has to sign over that on behalf of the State. We learned a lot. We found a lot. We had one application failed. We pulled that application down for about 60 days so they were not able to process. It was fixed. It was retested and put backup. That cost, that annual cost, which frankly, was never done prior to this year of doing those testing, could range over \$30,000. It could be as low as a thousand. It really depends upon the way in which they process merchant cards. If, in fact, it's like the Visitor Center where they're merely doing a transaction machine, that's a de minimus cost. If it's something as significant as the Liquor Commission with 70 some odd stores, each one of those stores is -- has to be part -- is what they call in scope. And then they go downhill from there. So it's going into the network servers.

What we're trying to do, and where we can save money, is we've established a statewide merchant card processing advisory work group so that the State can look at centralizing this to the most efficient way possible. Because credit cards, like many things, have grown-up from their own seed in their own pots as people needed it. We're now trying to respect that, but we have got the new CIO, we have got seats on that Advisory Board from Treasury, which is critical, we have the security group, and we have some critical and key agencies on there so we can look at how we are doing business and see if there's a better way of doing business. And we know there is, but that is going to take some time. Those are the processes that we're involved in

right now. We meet with Bank of America quarterly. They come to us, to the merchant card advisory group. We give them topics. One of the topics -- two of the topics they are going to speak to, one is convenience fees. For many years it was thought that you could not do convenience fees. We believe now we can. They are stipulated. Each one of the brands may say you can do it differently. I am not up to speed to give you that information right now other than that's in discussion with Bank of America and they'll be doing a presentation.

The other thing we are looking at is like an e-Wireless payment. This popped up recently where people wanted to be able to go out, perhaps the Department of Agriculture, if they had a fair or something they wanted to be able to take credit cards. They would be able to use something like this. Again, that has a fee. I'm not prepared to tell you exactly how much that is, but we are working towards that to see if that is another avenue which people could conduct business outside of the normal offices. That's what -- those are my five-minute notes I was writing on the way over. Is there any questions that I can mention?

CHAIRMAN WEYLER: Good job. Representative Kurk for a question.

REP. KURK: Thank you, Mr. Chairman. I need some clarification. Let's assume that DRA has a \$1,000 tax bill and the person chooses to use this service. The State adds on a fee?

MR. CONNOR: No. What happens is the person pays that on-line, pays that via their credit card. It then clears -- should clear within two to three days, depending upon the card, so that DRA would then have the money.

REP. KURK: How much money?

MR. CONNOR: 97% approximately.

REP. KURK: Okay. And what's the service fee that we are hearing about in the bill, what's it called?

CHAIRMAN WEYLER: Convenience fee.

REP. KURK: Convenience fee.

MR. CONNOR: Convenience fee is something we are looking at. It had been thought before we could not do it. We approached Bank of America and said -- and I believe that was some discussions that the Commissioner from DRA had with my Director Mike Connor about convenience fees. It now appears we can under certain portions of government or certain business types can do convenience fees. That would be an add-on fee that the agency would be able to, my understanding, tack onto that transaction which would be over the thousand dollars.

REP. KURK: Follow-up?

CHAIRMAN WEYLER: Follow-up.

REP. KURK: Of the thousand dollars that the taxpayer owes, net of all fees, how much does the State collect, assuming we do not do a service fee?

MR. CONNOR: On average, that would be the negative revenue for fees, that's the acquirer's fee and interchange fee would be about 3% to the side. We make no money on the contract.

REP. KURK: So unless we charge the taxpayer 3% convenience fee, state tax revenues go down.

MR. CONNOR: That's correct. It's not a dollar for dollar because you have to pay for the service of running it through the acquirer.

REP. KURK: How can this bill be fiscally neutral?

MR. CONNOR: Again, I apologize. I had not followed the bill until I got a phone call about a half hour ago. We are here to address that, at least tell you how the contracts work.

REP. KURK: Thank you. Thank you, Mr. Chairman.

CHAIRMAN WEYLER: Representative Benn for a question.

REP. BENN: Thank you, Mr. Chairman. Just to make sure I understand. If the DRA -- let's say this bill passes, DRA allows or we allow DRA to use credit cards, would automatically go through DAS through your program, your central program or would that require something else to have it go through on your central program?

MR. CONNOR: I have not had a discussion with DRA and I apologize. Unfortunately, both my Director and Commissioner were out of the office when we got a call to come up here. Under RSA 21-I, which Tom can speak to, I believe it's statewide contracts agencies need to avail themselves of that unless they get a waiver from the Commissioner. That said, I do not know if discussions have been had at Commissioner level. Is that accurate?

REP. BENN: All right. Thank you.

CHAIRMAN WEYLER: Representative Vaillancourt for a question.

REP. VAILLANCOURT: Thank you, Mr. Chairman. I thought I understood this completely and you've only managed to throw it into confusion. Dealing with Representative Kurk's question, the reason it's revenue neutral to the State is because the difference is added on in this fee that we were explained to by the previous witness. The service charge is the same amount that the State would, in fact, lose if we didn't have the service charge. Isn't that correct? Isn't that how it becomes revenue neutral? The service charge

makes up for what we would lose?

MR. CONNOR: To the extent that the brands allow you to charge a service fee to that -- to offset that transaction fee that would be true. I do not know if that's the case.

REP. VAILLANCOURT: If I might follow-up. The previous witness told us that they're negotiating rates between 1.59 and 2.75%. I assume that that was what they were charging us and that was the amount that would make us whole. Wrong?

MR. CONNOR: I can only speak to what's on the State contract.

CHAIRMAN WEYLER: Representative Sova for a question.

REP. SOVA: Thank you, Mr. Chairman. I guess I'm confused as well because I was told by the previous witness that basically was no cost to the State. It was a cost to the consumer. And now you're telling me it can be a cost to the State but not necessarily -- there may not necessarily be a service charge. And I -- it's almost contradictory.

MR. CONNOR: Presently, out of the 20 or so agencies that are doing credit cards, none of them charge convenience fees. That's why we have reached out to Bank of America to do some investigation and figure out what they can charge for convenience fees. That meeting with our acquirer has not occurred.

REP. SOVA: Thank you.

CHAIRMAN WEYLER: Representative Keane for a question.

REP. KEANE: Thank you, Mr. Chairman. Thank you for coming. The rates vary among the services. Pay Pal, for instance, charges one rate, Discover charges another to the recipient of the money. Are you saying 3% is the average or do we have a State rate of 3% that we pay the credit card companies universally?

MR. CONNOR: Three percent is probably a high average going across all the \$310 million worth of transactions the State does annually. There's two components of it. One is the flat rate that Bank of America charges which I believe is -- and I will qualify this afterward -- which is .035% per transaction. The rest of that what makes up 3% is the interchange rate that the brands establish based on the transaction type.

REP. KEANE: Follow-up?

CHAIRMAN WEYLER: Follow-up.

REP. KEANE: So my experience running a small business using credit cards is I ate that money, those charges. I lost -- I either priced my product higher to cover it or I took a loss on that from my net revenues. The only way the State can cover its cost is to add this additional fee; is that right?

MR. CONNOR: That's the discussion that many agencies are now looking at whether, in fact, they can do that to try to at least absorb some of that fee.

CHAIRMAN WEYLER: Follow-up?

REP. KEANE: And are you -- it was very interesting. This -- this has to deal with just one agency. When you talk about the system, how much money are we talking about that is in that 3% range for all the transactions that are handled across the system, whether it's Liquor or whether it's some other, Agriculture or someone else? Do you have any idea what that cost is?

REP. BELVIN: 9.3 million.

REP. BARRY: 9.3 million.

REP. KURK: He told us 310 million in transactions

times 3%.

REP. KEANE: Yeah. Okay. Thank you. Thank you, Mr. Chairman.

CHAIRMAN WEYLER: Representative Kurk.

REP. KURK: Thank you, Mr. Chairman. I think there are two different kinds of activities that the State undertakes and it makes sense perhaps to do this for one kind of activity but not the other. The Liquor Commission is a sales outfit. If, by selling on credit, they can increase their sales then our revenues go up presumably more than the additional cost of the 3% of all sales. In other words, the profit on the marginal sales covers the 3% on all of the sales because I assume once you do this, most people will pay by credit card, at least for the purposes of this example. But that's a voluntary kind of activity. The State is a marketer there. When it comes to taxes and fees and things like that, that's a totally different situation. The State doesn't increase business because it gives another way for taxpayers to pay what they owe or a person who needs a license to pay the fee for that license. So if the State cannot recover the 3% on average cost, why would the State want to give this convenience fee for its customers? It's a lose/lose proposition, unless the cost of collecting that money is 3% or more. And we can reduce the cost of collection by the amount of these new fees. Then it might be revenue neutral.

So I don't -- I guess what I'm saying is I can understand why some State agencies would want this even if there's no surcharge. But I don't understand, and I haven't heard the argument and Ms. Cyr, I'm sure, will come back and tell us, why it makes sense for the Secretary of State or in her case DRA, if you have to do something with it why do you want to give people another way to do it when it costs you money?

REP. CEBROWSKI: It doesn't cost you money.

MR. CONNOR: Currently, Secretary of State, Safety, Courts, all run through the State contract for fees and fines.

REP. KURK: So we are losing \$9 million a year in revenue and, boy, Division III could have used that in the budget. Because we are giving -- well, let's take the Liquor sales out. Three million dollars worth of revenue if Liquor is 200 of the 300 that we are giving away for apparently no saving. I'm trying to understand why this makes sense for the State. I understand why it makes a lot of sense to give people convenience, but there's a real cost to this and real services that are being forgone if this revenue disappears and convenience where people don't have a choice.

CHAIRMAN WEYLER: Perhaps the question to ask is, is this fee for processing paid in one place so that the agencies are not aware that the money they feel they collected is being discounted?

MR. CONNOR: We recently have gone through a process where we are exactly trying to follow that out and map out where's the money with Treasury, because -- and see where it actually splinters off. The other side of that is we are doing the budget because there is not just the 3%, there is the other PCI compliance cost that we just barely started to develop budgets for and this is the first year. So to answer Representative Kurk's question, it does cost the State money to offer the convenience.

CHAIRMAN WEYLER: But it's not something that like in the DRA, they think someone pays them \$10,000, it shows up on their books as \$10,000. Perhaps the -- if there were any collection costs they may not have been billed to DRA. They might have been in this contract that DAS has negotiated and these compliance costs, you have no clue as to their full cost at this point but, obviously, they have some cost.

MR. CONNOR: I guess the upside would be if you do merchant card payments, you don't chase bad money.

CHAIRMAN WEYLER: So if there's a little less chance you're going to get a bad check or as you say, you have a whole group that's just out there chasing bad checks.

MR. CONNOR: Right.

CHAIRMAN WEYLER: How much does that cost you in the past? Do you have any clue?

MR. CONNOR: I do not.

CHAIRMAN WEYLER: Okay.

REP. KURK: Question?

CHAIRMAN WEYLER: Who's the collection bureau? Is that turned over to another agency?

MR. CONNOR: That would be the brands. If I pay my thousand dollars to DRA on my Visa Card, and I don't pay Visa, then Visa will be coming after me. They're not going to go after the State to make them whole.

CHAIRMAN WEYLER: But if someone wrote a bad check to an agency, who does the collecting?

MR. CONNOR: I'm not aware of that business side of the transaction.

CHAIRMAN WEYLER: Representative Smith.

REP. SMITH: Thank you, Mr. Chair. I'm aware that the Federal government has these payments for income tax through convenience fees. And my understanding in that case was that the convenience fee actually included making up the difference to back the credit card company. So that if

I as a taxpayer for Federal, I'm not sure how we set it up here in the State or we're proposing to set it up in the State, but my understanding is if I pay, the thing I pay for and I think it's around 3%, which I refuse to pay because I don't get that much convenience out of it, but everybody's different and everybody's writing checks for different amounts. So that's a choice that I have and my understanding is that choice, that 3% paid for the system to put it in, the collection, the issue of collection is now being thrown on the credit card company as part of their fee. I mean, that's part of what they get out of the process, and that whole thing is removed from me, but my only payment is the 3%. I made the assumption, and perhaps we could call the division of revenue back to confirm this, that -- that whatever that contract with that two point -- 1.59 to 2.7 that sounds like a better deal than the original -- than the Feds were able to get. But that would cover all of that and that would be a part of certainly my view of this proposal because if, in fact, we are going to register the 3% discount to the tax, then obviously this is a strange deal.

MR. CONNOR: It is probably important to point out that when we are talking about this, we are talking about it from the merchant card transaction side of it. Now DRA, I believe, may be looking at it differently. So our contract is for merchant card services. If, in fact they're structured different then there likely could be different rules for convenience fees. For the 20 agencies and \$310 million that are under our contract, that's under merchant card services. So I defer to DRA if they have something else structured that is outside of that merchant card application.

CHAIRMAN WEYLER: Thank you. Representative Kurk.

REP. KURK: Thank you, Mr. Chairman. May we have a list of that \$310 million broken down by agency?

MR. CONNOR: Yes.

REP. KURK: Thank you.

CHAIRMAN WEYLER: Okay. We can ask the DRA to come back and --

REP. KURK: Oh, one last question, Mr. Chair.

CHAIRMAN WEYLER: Yes.

REP. KURK: You mentioned X-Box. I thought it was Play Station. It was Sony. What increased risk does the State have that some of its information will be hacked and we as representatives of the State will be excoriated in the press for failing to take appropriate measures to protect sensitive personal information of State citizens who pay their taxes to DRA and now find that information and other information about themselves being sold by the Bosnians or Belarusian Mafia types on the Internet for those who wish to engage in criminal activity?

MR. CONNOR: First, I believe you're right. It was Play Station. I cannot speak to DRA, nor their application, but I can state to the agencies of which are under our contract. A year ago we could not be as confident to tell you that we are in much better shape today. I think with the work that DoIT has done, with the contractors we have hired to do the required testing for the networks, for the applications, for the processes that are happening on the transactions, we are in far better shape. Can you -- could you have a breach or suspected breach? Yes, you could. Are we aware of it now? We are not only aware of it, we are doing something with it and the advent of the statewide merchant card work group should help us to be able to advance better technology and more security.

REP. KURK: Follow-up?

CHAIRMAN WEYLER: Follow-up.

REP. KURK: I suggest you hire an outside hacker for a nominal fee to test how well you're doing your work.

MR. CONNOR: That is what PCI compliance does. They actually try to hack into the systems doing positive and negative testing. We actually give them access, we don't give them access, and that's what they did for the first time this year?

REP. KURK: Were they Belarusian or just Americans?

CHAIRMAN WEYLER: Representative Umberger for a question.

REP. UMBERGER: I just have a question --

REP. KURK: Thank you.

REP. UMBERGER: -- in regards to the contract. Are you suggesting that it would make sense for DRA to do their own contract or would you prefer that or should we say no, if we are going to have a contract we need one person -- one agency to monitor it?

TOM KEHR, Administrator, Rules and Procedures, Department of Administrative Services: If I may? Tom Kehr, Rules and Procedures Administrator at DAS. Again, we were called over here fairly late so we didn't hear the initial portion of the testimony from DRA. But speaking only to our contract, the way that it's structured for us is if there's a statewide service contract that includes a credit card agreement, that's generally a DAS item. And then there's a provision in another section of 21-I, RSA 21-I, that says the Commissioner of Administrative Services can grant a waiver not to be on that contract.

That being said, I'm not certain having not heard the beginning of the testimony and had some brief conversations, very, very brief, with some of the DRA folks here, if we're talking about precisely the same

organization and setup as the contract that DAS now has in place. So I couldn't answer that question without actually having a little bit more input from DRA.

CHAIRMAN WEYLER: Okay. Can we just get -- please stay for Senate Bill 161 which is coming up next. Representative Vaillancourt.

REP. VAILLANCOURT: Would it be appropriate to ask these two gentlemen and the previous two witnesses to talk among themselves for a couple of minutes and clarify what they're -- they seem to be doing different things.

CHAIRMAN WEYLER: Excellent suggestion. But before we get to do that, Representative Belvin has a question.

REP. BELVIN: Thank you for your forbearance, Mr. Chairman. Do you have any knowledge of what the University System of New Hampshire does relative to this issue or the Community College System?

MR. CONNOR: Currently, the Community College System is on the State contract. Because they now are a component unit, they're negotiating to -- they will be getting off this contract and getting on their own contract. They have multiple opportunities that they're looking at. The University System has its own contract, I believe with Bank of America, for doing their merchant card services. I do not believe that they will allow Community College to go on that contract, but that's in discussions with them.

REP. BELVIN: Thank you.

CHAIRMAN WEYLER: All right. We'll take a five-minute recess where these two groups can talk among themselves and then we'll get a final --

REP. KURK: Mr. Chairman.

CHAIRMAN WEYLER: Are you never going to let them get a

break?

REP. KURK: Not a question. Is there somebody who is a lobbyist or representative of one of the vendors who might be here to answer some questions?

CHAIRMAN WEYLER: If so, would that person please identify themselves? I don't see any.

REP. KURK: Thank you.

CHAIRMAN WEYLER: All right. And Senate Bill 161, we are running a little late. If you want to start putting in cards we'll be ready to get on that as soon as we get a definitive answer from what appears to be a contradiction.

(Recess taken at 11:15 a.m.)

(Reconvened at 11:25 a.m.)

CHAIRMAN WEYLER: Committee, we'll all come back from recess on Senate Bill 56, and at least two of you come to the table.

MS. CYR: Thank you, Mr. Chair. Appreciate the opportunity to provide some clarity. We have had some discussion. And Department of Administrative Services did come in late to the process in understanding and hearing our testimony. So hopefully, I can provide some clarity again. We were kind of talking between the two departments about apples and oranges. The Department of Revenue is not looking to become a merchant, which is essentially what the Department of Administrative Services' State contract is with the other agencies. The Department is not looking to do that. The Department is looking to have a separate third-party processor for the credit card payments. So when Representative Kurk was asking, so he has an assessment and he's making a payment to the Department, through the State contract, as he testified to, he would give -- the State would get 97% of that assessment. A thousand dollars they'd

only get 97%. The Department through this third-party processing would get the thousand dollars. The taxpayer, what they would get on their credit card bill would be a thousand dollars plus whatever percentage convenience fee the credit card company put on. So the State would get the thousand dollars. So that's what we are saying that it would be that revenue would not be lost. It would actually be gaining through the process of not having to process the checks anymore. So there's some --

CHAIRMAN WEYLER: You're saying you get the thousand minus the 3% but you'd save the 3% on the other?

REP. CEBROWSKI: No.

MS. CYR: No. Again, the State is not involved in any of -- I can't say 3%. I can cite with my handout the IRS has different percentages listed. They disclose which is what they would do on the Website for the third-party processor amounts from 1.59% to 2.29. So I can't say what the actual percentage would be, but the State -- the Department, I won't say the State -- the Department would not be involved with that convenience fee. You would go to the Department of Revenue, click on your payment, you would be sent to that third-party processor. Brian would have some names of different processors that are out there. You go to that site. You would put in your payment and they would disclose to you that with that payment you have this convenience fee that would be added onto that. So the State would get the payment for whatever tax is owed and the consumer or the taxpayer would assume in their bill now that extra convenience fee that's separate and the State would not see it and would not handle it. And another reason, in talking about the PCI compliance that the Department was looking at going through a third-party processor is because of 21-J:14, our statute for confidentiality of taxpayer information. We take that very seriously. Taxpayer information should not be disclosed. With a third-party processor, PCI, all that liability is on the third-party processor. They would not be getting

taxpayer information except for credit card information they hold and that's their liability. The taxpayer information is secure with the Department. I hope that provides some clarity and I don't know if the Department of Administrative Services wants to add anything.

CHAIRMAN WEYLER: Let's go back to the thousand dollars. Would you get 97% or would you get all of it?

MS. CYR: We would get all of it under our contemplation of having a third-party processor.

CHAIRMAN WEYLER: That was my impression. That was the impression of the contradiction. But the cost of being paid perhaps by DAS. Some of the cost.

MS. CYR: We would not be going through the Department of Administrative Services. That's a separate --

CHAIRMAN WEYLER: Okay.

MS. CYR: -- contracting process that they have as a merchant. Essentially, the State becomes a merchant, similar to if you go to a store and you're swiping the card, your credit card at a store. The store is actually the merchant is taking on that 3% a lot of times. And so the merchant is the Department in that sense but we wouldn't be doing that.

CHAIRMAN WEYLER: You're getting full value.

MS. CYR: We are getting full value.

CHAIRMAN WEYLER: All right. There's actually no cost to you, but for the other functions of government there is some cost, as Mr. Connor just said to us. Is that clear or is there going to be 15 questions deal here? Please. Representative Kurk.

REP. KURK: Thank you.

CHAIRMAN WEYLER: Followed by Representative Sova.

REP. KURK: In addition to this cost neutral, not revenue neutral, cost neutral to the Department approach, does this language on Line 6 through 8 mean that you can charge an additional fee to the consumer so the taxpayer pays \$1,002? Sorry. The taxpayer goes to the site and pays \$1,000 in taxes, \$30 in the 3% fee, which is going to be added onto his credit card bill, and an additional \$2 or \$5, whatever it is, that the Department under Lines 6 through 8 have?

MS. CYR: No, there's no additional fee. We would only be assessing if there's a late payment, if it's an assessment, any interest. When it's referencing that service charge, that service charge is what the third-party processor would be charging. The Department isn't charging it. Again, this is mirroring language from the cities and towns and counties who are doing this currently. The third-party processor is the one who would have that service charge. We are just having it within this language to show when you come to the Department to pay that that is going to be disclosed to you 'cause you will be paying a convenience fee or service charge.

REP. KURK: Follow-up, Mr. Chairman?

CHAIRMAN WEYLER: Follow-up.

REP. KURK: You would have no problem if we eliminated this language all together since the fee that you refer to is an arrangement between the credit card company and its customer and has nothing to do with the Department. You might advise the -- your customer, your taxpayer, that if he chooses to use this other service -- this other service may add a fee on but it has nothing to do with the Department.

MS. CYR: In a quick legal analysis of that I would say

that that would not be a fatal elimination if you were to strike that out if it perceives that the Department is having the service charge there. I'm going to turn my back real quickly to ask Brian but I think that -- yes, that fee is really what's coming to the third-party processor which is negotiated through the contract. So if this -- if the language within the bill remained and that line was stricken about the service charge, I do not believe that that would prohibit us from doing what we're -- what we're asking to do here. If I can just, for a moment, confer with to see --

MR. PACE: I would agree,.

MS. CYR: Brian is agreeing.

REP. KURK: Thank you. Thank you, Mr. Chairman.

CHAIRMAN WEYLER: Representative Sova.

REP. SOVA: Representative Kurk asked all my questions.

CHAIRMAN WEYLER: Representative Barry.

REP. BARRY: Thank you, Mr. Chairman. That means on the very next line, the Department at time of billing shall disclose the amount of service charge, you should put down the third-party vendor at the time of billing shall disclose the service charge?

MS. CYR: We could say the third-party vendor but in a lot of cases what the Department would do they would know that percentage or that charge that is going to be made and we would disclose it even before they would get to the point of going just for the convenience -- again, for the taxpayer to know before they even click on to go to the processor. We would indicate to them you can pay on-line. You may be subject to a such a fee in such amount. They would know even before clicking and getting to the process just to make it easier for them.

REP. BARRY: Thank you.

CHAIRMAN WEYLER: Representative Benn.

REP. BENN: Thank you, Mr. Chairman. For you to do this directly, do we have to change any statutes or any rules to allow you to do it without going through central DAS?

MS. CYR: Well, we are looking not to go through the central DAS and that's what this language is allowing us to do in here. This bill is actually providing us the statutory authority for us to then accept the credit card which means we then will put out an RFP, get the third-party process vendor contract in through Governor and Council process and not necessarily go through the Department of Administrative Services state contract.

REP. BENN: Thank you.

REP. RODESCHIN: Just very quick.

CHAIRMAN WEYLER: Representative Rodeschin.

REP. RODESCHIN: Because we have so many hackers in our country, are you going to make a disclaimer because you can't guarantee that taxpayer might not get hacked? Are you going to make a disclaimer there that you're not responsible in making sure that they know that there are hackers?

MS. CYR: I'm sure that's something we can consider, yes, so they are aware of that. But again, all the liability for any information, credit card information is falling on that processor when they go to that site.

REP. RODESCHIN: Well, I understand that. But DRA is very concerned and they don't give out any information on any companies. That's what I'm talking about.

MS. CYR: The taxpayer information? Yes, we make it very clear that the taxpayer information would not be disclosed. Yes. We would do that.

REP. RODESCHIN: Okay. Thank you.

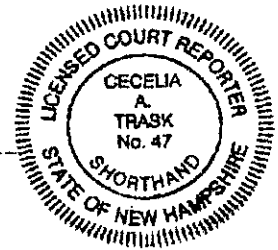
CHAIRMAN WEYLER: Anybody else? All right. We will close the hearing on Senate Bill 56.

(Hearing concluded at 11:44 a.m.)

CERTIFICATION

I, Cecelia A. Trask, a Licensed Court Reporter-Shorthand, do hereby certify that the foregoing transcript is a true and accurate transcript from my shorthand notes taken on said date to the best of my ability, skill, knowledge and judgment.

Cecelia A. Trask
Cecelia A. Trask, LSR, RMR, CRR
State of New Hampshire
License No. 47



5856

Exp Session

Rep Cukrowski move amend 1837h
Rep Smith - second

~~Change line ¹² \$1 - amount to percentage~~

approved by

Rep Ahn / Rep Keane

Change line to 12 to read percentage
rather than amount

motion fails

#1

Amendment to SB 56-FN

1 Amend the bill by replacing section 1 with the following:

2

3 1 New Section; Credit or Debit Card Payment. Amend RSA 21-J by inserting after section 43
4 the following new section:

5 21-J:43-a Credit or Debit Card Payment. The commissioner of the department of revenue
6 administration and any authorized employee or agent of the commissioner may accept credit cards or
7 debit cards in the payment of any of the taxes, penalties, interest, or fees administered by the
8 commissioner or collected by the department. The department shall add to the amount due, in
9 addition to any tax, penalties, and interest payable, a service charge for the acceptance of the credit
10 card or debit card. Said service charge shall be paid by the taxpayer to the credit card or debit card
11 service provider to cover the provider's cost of this service. The department shall determine the
12 amount of said service charge through a competitive bid process, and shall receive prior approval of
13 the governor and council. The department, at the time of billing, shall disclose the amount of the
14 service charge to the taxpayer. The commissioner shall adopt rules, pursuant to RSA 541-A, as
15 necessary for the administration of such electronic transactions.

House Finance
May 10, 2011
2011-1837h
09/05

#2

Amendment to SB 56-FN

1 Amend the bill by replacing section 1 with the following:

2

3 1 New Section; Credit or Debit Card Payment. Amend RSA 21-J by inserting after section 43
4 the following new section:

5 21-J:43-a Credit or Debit Card Payment. The commissioner of the department of revenue
6 administration and any authorized employee or agent of the commissioner may accept credit cards or
7 debit cards for the online payment of any of the taxes, penalties, interest, or fees administered by the
8 commissioner or collected by the department. The amount of any service charge required to be paid
9 by the taxpayer to the credit card or debit card service provider to cover the provider's cost of this
10 service shall be determined by the department through a competitive bid process, and the service
11 provider shall add this charge to the amount due, in addition to any tax, penalties, and interest
12 payable. The department, at the time of billing, shall disclose the amount of the service charge to
13 the taxpayer. The commissioner shall adopt rules, pursuant to RSA 541-A, as necessary for the
14 administration of such electronic transactions.

WORKSHEET FOR REPRESENTATIVE KURK

Assumptions: Taxpayers will consistently use the credit card/debit card payment method. Note that taxpayer may use II for an estimate payment one time and then use a check on the next estimate payment. Similarly, a taxpayer may pay a tax bill by credit card one year but not the next year.

This breakdown also assumes the maximum adoption rate is constant throughout the five years shown. However, it may be 9% the first year, 14% the second year, 8% the next year and 4% the following year.

Check Processing Costs and Savings Due to Credit Card Use	Extended	Year 1		Year 2		Year 3		Year 4		Year 5		
		13% reduction	Savings	13% reduction	Savings	13% reduction	Savings	13% reduction	Savings	13% reduction	Savings	
Checks Processed	265,000											
Cost per check	\$2.10	\$556,500.00	\$484,155.00	\$72,345.00	\$421,214.85	\$62,940.15	\$366,456.92	\$54,757.93	\$318,817.52	\$47,639.40	\$277,371.24	\$41,446.28
NSF	225											
Cost per check	\$139.95	\$31,488.75	\$27,395.21	\$4,093.54	\$23,833.83	\$3,561.38	\$20,735.44	\$3,098.40	\$18,039.83	\$2,695.61	\$15,694.65	\$2,345.18
M&R NSF	212											
Cost per check	\$21.53	\$4,564.36	\$3,970.99	\$593.37	\$3,454.76	\$516.23	\$3,005.64	\$449.12	\$2,614.91	\$390.73	\$2,274.97	\$339.94
		\$592,553.11	\$515,521.21	\$77,031.90	\$448,503.45	\$67,017.76	\$390,198.00	\$58,305.45	\$339,472.26	\$50,725.74	\$295,340.87	\$44,131.39
Bank Fee	\$0.07	\$18,550.00	\$16,138.50	\$2,411.50	\$14,040.50	\$2,098.01	\$12,215.23	\$1,825.26	\$10,627.25	\$1,587.98	\$9,245.71	\$1,381.54
Total Cost Per Year		\$611,103.11	\$531,659.71	\$79,443.40	\$462,543.94	\$69,115.76	\$402,413.23	\$60,130.71	\$350,099.51	\$52,313.72	\$304,586.57	\$45,512.94
Cumulative Savings			\$79,443.40		\$148,559.17		\$208,689.88		\$261,003.60		\$306,516.54	

5/9/11
DRA

Speakers

Hearing Minutes

HOUSE COMMITTEE ON WAYS AND MEANS

PUBLIC HEARING ON SB 56-FN

BILL TITLE: (New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes.

DATE: April 5, 2011

LOB ROOM: 202 **Time Public Hearing Called to Order:** 10:08 AM

Time Adjourned: 10:37 AM

(please circle if present)

Committee Members: Reps. Stepanek, Major Griffin, Hess, Sapareto, Ulery, Osgood, Ober, Abram, Azarian, Daugherty, McDonnell, Murphy, Ohm, Sanborn, Shule, Almy, Hamm, Butynski, Hatch and Cooney.

Bill Sponsors: Sen. Odell, Dist 8

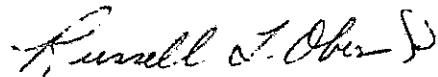
TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Senator Odell, prime sponsor – supports. There was commentary about registration of companies and using credit cards. Any charge for the transaction would be announced beforehand. There were several questions about the fee being charged.

***Mindy Cyr & Brian Pace, NHDRA – supports.** See written testimony. They noted that fees would be charged but the state would not get the money. There was quite a long non-relevant discussion.

Respectfully submitted,



Representative Russell Ober, Clerk

HOUSE COMMITTEE ON WAYS AND MEANS

PUBLIC HEARING ON SB 56-FN

BILL TITLE: (New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes.

DATE: 4/5/2011

LOB ROOM: 202

Time Public Hearing Called to Order: 10:08

Time Adjourned: 10:37

(please circle if present)

Committee Members: Reps. Stepanek, Majof, Griffin, Hess, Sapareto, Ulery, Osgood, Ober, Abrami, Azarian, Daugherty, McDonnell, Murphy, Ohm, Sanborn, Shuler, Almy, Hamm, Butynski, Hatch and Cooney.

Bill Sponsors: Sen. Odell, Dist 8

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Sen Odell - sponsor - favors
commentary about registration of companies and using credit cards
any charge for the transaction would be announced beforehand
several questions about the fee being charged

Mindy Cyr *

Brian Pace

} DRA favors bill

noted that fees would be charged but the state would not
get the money

quite a long non-relevant discussion

HOUSE COMMITTEE ON FINANCE

PUBLIC HEARING ON SB 56-FN

BILL TITLE: (New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes.

DATE: May 05, 2011

LOB ROOM: 210-211 **Time Public Hearing Called to Order:** 10:05

Time Adjourned: 11:15

(please circle if present)

Committee Members: Reps. Weyler, L. Ober, Kurk, Emerton, Rodeschin, Belvin, Elliott, Vaillancourt, Allen, Garcia, R. Barry, Cebrowski, Wm. Smith, Sova, Umberger, Keane, Simard, Twombly, Worsman, Foose, Nordgren, Baroody, Benn, Lerandeau and Rosenwald.

Rep. Kappler and Rep. Chase replaced Rep. Emerton and Rep. Worsman.

Bill Sponsors: Sen. Odell, Dist 8

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Mr. Cronin, Senate Aide, introduced the bill for Sen. Odell.

*Ms. Mindy Cyr and Mr. Brian Pace, Department of Revenue Administration (DRA) spoke in support of the bill.

- Provide cost of DRA doing it themselves. They will get back.
- Savings in head count. They will get back.
- Web site – full disclosure
- Cost to process check. They will get back. \$2.23

Amend – to show Governor and Council approves contract?

Mr. Connor, Department of Administrative Services (DAS): Overview of merchant cards. PCI compliant – Manual of procedures – Commissioner must sign he is in compliance with.

Compliance costs.

Convenience fees – can be charged not sure. Bank of America is going to brief committee. Statewide contract already exists.

.035 – processor
2+ credit card fee

Cost of collection – greater than 3%?

Who does collections for bad checks?

List broken down by agency of 310 million.

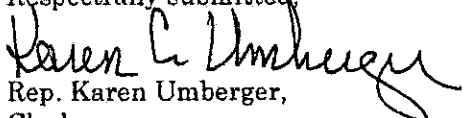
Commissioner has option to allow.

University System/Community College System have own contract.

State contract – agency becomes merchant. DRA wants to use third party processor.

Following the adjournment at 11:15, the Public Hearing was reopened at 11:30. DAS and DRA spoke difference between merchant card and

Respectfully submitted,


Rep. Karen Umberger,
Clerk

HOUSE COMMITTEE ON FINANCE

PUBLIC HEARING ON SB 56-FN

BILL TITLE: (New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes.

DATE: May 05, 2011

LOB ROOM: 210-211

Time Public Hearing Called to Order: 1005

Time Adjourned: 1115

(please circle if present)

Committee Members: Reps. Weyler, L. Ober, Kurk, Emerton, Rodeschi, Belvin, Elliott, Vaillancour, Allen, Garcia, R. Barry, Cabrowski, Wm. Smith, Sova, Umberger, Keane, Simard, Twombly, Worsman, Foose, Nordgren, Baroody, Benn, Lerandeau and Rosenwald.

Rep Kaplan Rep Chase

Bill Sponsors: Sen. Odell, Dist 8

TESTIMONY

* Use asterisk if written testimony and/or amendments are submitted.

Resumed 11:30

DAS → DRA spoke difference between merchant card

+

SB56

Mr. Cronin - Introduced Bill

Ms. Sean/Brian Pace - DRA

* Provide cost of DRA doing it themselves get back

* Savings in head count get back

Web site - full disclosure

Cost to process check - get back \$ 2.23

Amend - to show Gov + Council approves contract?

Mr. Connor - Dept of Admin

Overview of merchant cards

PCI compliant - Manual of procedures - Commissioner must sign he is in compliance with

compliance costs

Convenience Fees - can be charged not sure
Bank America is going to brief Committee

Statute contract already exists

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2* credit card fee

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who does collections for Bad Checks

List broken down by agency of 310,00 million

Commissioner has option to allow

Univ System > have own contract
Comm College

state contract - agency becomes merchant
DRA wants to use third party processor

Testimony



[City Home]

City Hall, 1 Junkins Avenue, Portsmouth, NH 03801, Tel: (603) 431-2000. Hours Monday-Friday 8:00 a.m. to 4:30 p.m.

- DEPARTMENTS
- Assessor's Office
- City Clerk
- City Council
- City Manager
- Community Development
- Economic Development
- Finance Department
- Fire Department
- Health Department
- Human Resources
- Inspection Department
- Legal Department
- Library
- Mayor
- Parking & Transportation
- Planning Department
- Police Department
- Public Works
- Purchasing
- Recreation Department
- School Department
- Tax Collector
- Zoning Enforcement

ONLINE BILL PAYMENT

**Accepted Credit Cards: American Express, Discover Card, and MasterCard.
(VISA cannot be accepted for transactions other than
Property Tax payments at this time due to VISA regulations.)*

To make a payment(s), you will need:

- Parking Ticket:** Your parking ticket # or your plate #
- Water/Sewer:** Account # or location and amount due
- Property Tax:** Bill #, location, owner and amount due
- Payment:** Your bank routing number and bank account number; or your creditcard* information



**Click Here To:
SIGN UP and/or PAY BILLS ONLINE**

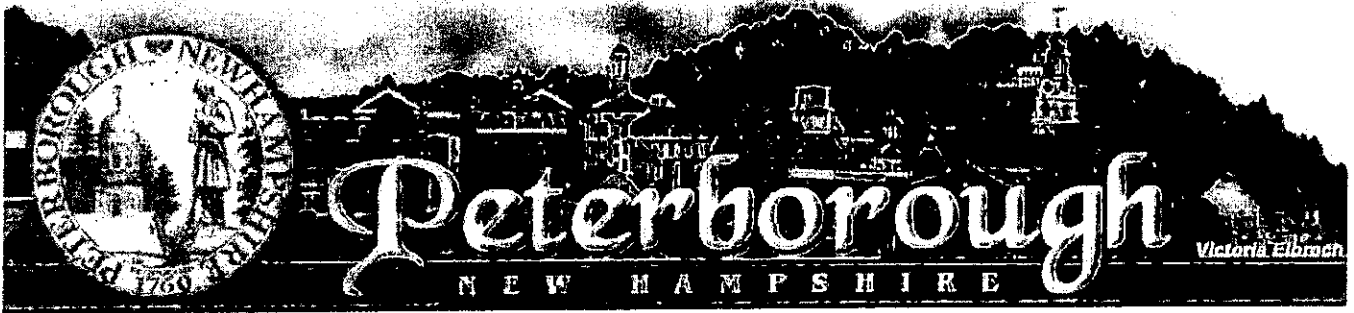
Your information is secure. All payment transactions are processed in an "encrypted" fashion, ensuring the security of your credit card or bank account information. **The City does not retain or store any credit card or bank account information.**

Please be advised:

- Bills and fees may not be available for payment on-line until 2-business days after issuance
- Payments may take up to ten (10) days to post to your account
- If paying an overdue Water or Sewer bill, that may result in a shutoff of services, please contact the billing office at (603) 610-7248 to notify them of your payment
- There is a convenience fee associated with online bill payments...
 - Electronic checks (ACH Payment) flat fee of 35 cents
 - Credit/debit cards: Calculated based on the payment amount and fee assigned by the credit card processor

The convenience fee will be clearly shown before you confirm your total payment. These convenience fees are NOT forwarded to the City - they are retained by the payment processor. Bills and fees may not be available for payment on-line until 2-business days after issuance.

X PETERBOROUGH NH



In Town Departments:

- Administration
- Assessing
- Office of Community Development
- Emergency Management Agency
- Finance Department
 - Water Meter Reading Form
- Fire and Rescue
- Peterborough Town Library
- Police Department
- Public Works
- Recreation Department
- Town Clerk's Office

Online Payments of Utility and Property Tax Bills

Online payments for Town of Peterborough are processed by Point & Pay. Point & Pay provides a one source solution for residents to pay their Town bills online. Point & Pay keeps your information secure, and payments are executed in an "encrypted" fashion, so your credit card or checking account information is securely processed.

Please read the following disclaimer:

The information furnished on this site is for the convenience of the user and is not an official public record of the Town of Peterborough. It is provided as a service to the public. The Town makes no warranties, expressed or implied concerning the accuracy, completeness, reliability, or suitability of this information for any particular use. The Town of Peterborough assumes no liability whatsoever associated with the use or misuse of the information. The Town does not store your credit card or checking account information. The official public records from which this information was compiled are kept by the Tax Collector in the Finance Office at 1 Grove Street, Peterborough, New Hampshire, 03458 and are available for inspection and copying during normal business hours for a fee.

Online Payments:

This service will allow you to pay your utility and tax bills 24 hours a day, 7 days a week. Online payments can be made by electronic transfer (ACH), MasterCard, Visa, American Express and Discover. Please be advised that there are charges to process your payment. These charges are NOT collected by the Town. They are collected by the payment processor. Please Note: If your account is in the process of a lien being filed, please contact the Tax Collector for the correct amount to pay.

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- [Click Here to pay your Tax Bill.](#)
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Town of Peterborough - 1 Grove Street - Peterborough, NH 03458 - (603)924-8000

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X NASHUA NH

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Pay Now

Welcome to the City of Nashua's Online Payment Service

You can now pay your Waste Water bills fast & conveniently online via our Xpress-pay service using your debit/credit card (Mastercard, Visa, or Discover card) or electronic check.

To get started you can look up your outstanding bill (based on customer's last name, and billing street address name) or have ready your most recent Nashua Wastewater System invoice, which includes account number, bill date and due date.

[Click here to get started.](#)

Other Ways to Pay

- By Mail (mail your check with the current invoice/bill to the address indicated)
- At City Hall (cash or check)

Questions?

- Check our online payments Frequently Asked Questions
- Contact the City of Nashua Tax Collector's Office
First Floor, City Hall
228 Main Street, Nashua NH 03060
(603) 589-3190

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- [Arts and Leisure](#)
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Pay Now FAQs – Debit/Credit & eCheck Acceptance

Q: What bills can I pay using my credit/debit card or an eCheck?

A: At this time you can pay your regularly billed wastewater charges via credit/debit card or eCheck online. Use of credit/debit or eCheck for other City bills and fees will be coming soon.

You will be charged a site/convenience fee to conduct any debit, credit or eCheck payment online. You can avoid paying the site/convenience fee by paying as before with cash or personal check at the Tax Office counter in City Hall or by mailing a check payment.

Q: Are there different rules and fees for use of a debit card versus a credit card?

A: A debit card will be treated like a credit card, and processed in the same way. Any site/convenience fees will be the same for debit as credit.

Q: Do I have to contact my bank before using an eCheck?

A: An eCheck is a payment drawn electronically from your bank checking account. Using an eCheck does not require a credit or debit card. To use an eCheck you will be asked for both your routing number and your account number. This information can be most easily obtained from your paper checks, or you can contact your financial institution for the numbers (some list routing numbers on their web site). The numbers are never stored by the City or xpress-pay.com after the transaction is complete.

Q: How do I get started?

A: To get started, have your wastewater bill and credit/debit card or check readily available. If you elect to pay online you can locate your bill from any internet connected browser by clicking here or going directly to xpress-pay.com.

You can make an online payment using your VISA, MasterCard or Discover credit/debit card or personal checking account transaction (known as eCheck) by following the instructions at the xpress-pay.com site.

Q: How are the fees calculated by xpress-pay.com?

A: Debit/Credit transactions - The xpress-pay.com site/convenience fee is calculated as 2.75% of the amount of the bill plus an additional 60 cent transaction fee. This site fee is collected directly by xpress-pay.com at the time of transaction and no part of the site fee is collected by or paid to the City.

eCheck transactions - The xpress-pay.com eCheck site/convenience fee is \$1.75 plus 0.15% (0.15% equals 15 cents per hundred dollars) of the amount of the bill. This site fee is collected directly by xpress-pay.com at the time of transaction and no part of the site fee is collected by or paid to the City.

Q: How secure is my payment and personal information?

A: The City of Nashua has partnered with xpress-pay.com to process your payment. Payments are processed through a secured site which uses Secure Sockets Layer (SSL) 128-bit encryption. Only the payment confirmation is provided to the City. Sensitive credit card and related information are not stored by the City or xpress-pay.com after the transaction is complete.

For more information, visit xpress-pay.com

Q: Can I make a partial payment?

A: Not at this time.

Q: How soon will my payment be posted?

A: Your financial institution will deduct the payment immediately; however the transaction may take 2-3 days to clear and to be posted to the City's records.

Q: How does the site/convenience fee show on my credit/debit card statement?

A: Your financial institution's statement will show one credit for the City's bill amount, and one credit to Systems East (xpress-pay.com) for the site/convenience fee.

Q: What do I do if I can't find my bill on-line?

A: Only current bills will be available on-line for payment. If you can't access your bill contact the Nashua Wastewater Office 603-589-3195 or e-mail them at nashuawastewater@NashuaNH.gov

Q: Can I change my mailing address on-line?

A: To change your mailing address you must contact the Nashua Wastewater Office 603-589-3195 or e-mail them at nashuawastewater@NashuaNH.gov

Q: What other departments in City government will be accepting Debit/Credit or e-Check?

A: Although not available at this time, we plan to offer credit/debit card and eCheck payments for Parks & Recreation, City Clerk, Community Development and other fee & bill types in the future.

Q: When will the City offer automatic payments for my Wastewater Bills?

A: xpress-pay.com is developing an automatic payment feature. At this time you can opt to be notified of future wastewater billings via email when you conduct your transaction at xpress-pay.com. Simply fill-in the email field while entering your other information at the time of transaction and check the box next to "Send an email when a new bill arrives".

Q: Will the City offer payment of my bills via the telephone?

A. xpress-pay.com is developing payment options via telephone (also known as IVR).

Q: Are there plans to allow the use of American Express or other Card types in the future?

A: xpress-pay.com is working on an agreement with American Express. Aside from VISA, MasterCard and Discover no additional card types are presently accepted online but this may change.

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X NEWMARKET NH

Online Bill Paying

PAY YOUR BILLS ONLINE!

The Town of Newmarket is excited to provide our citizens the ability to pay their town bills online!

NEW & IMPROVED ONLINE BILL PAYMENT

PLEASE * * * read the page below before signing up.

Bill payers no longer need to search for bills. Bills will automatically link to your new unique login and set-up information.

Effective October 29, 2009, **new login and user set-up** is required to use this service.

Separate login and sign-up is required for **motor vehicle** registrations, to comply with security and privacy requirements.

Click Here To:

SIGN UP and/or PAY BILLS ONLINE

To make a payment(s), you will need:

Water/Sewer: a copy of your bill showing your PID# and Tax Map Lot#. Click here for example

Property Tax: a copy of your bill showing your PID# and Tax Map Lot#. Your "PID#" is considered your "Account Number", and your "Tax Map Lot#" is considered your "Record Indicator. Click here for example

Note: You must enter: " P- " before your 6-digit PID number which begins with "0".

Motor Vehicle: a copy of your motor vehicle renewal notice showing your PIN#. Click here for example

Payment: Your bank routing number and bank account number; or your credit card* information.

Your information is secure. Payments are executed in an "encrypted" fashion, ensuring the security of your credit card or bank account information. **The Town does not store any credit card or bank account information.**

Please be advised: There are charges to process your payment: 80 cents for a payment from your checking or savings account and 2.95% for a credit card payment.

The charges will be clearly shown before you must confirm your total payment. These charges are NOT collected by the Town; they are collected by the payment processor.

Accepted Credit Cards include: American Express, Discover Card, and MasterCard.*

VISA cannot be accepted at this time due to VISA regulations.

If you need assistance, please call:

Town Clerk & Tax Collector Office

603-659-3073, ext. 4070.

Mon. - Thurs. 7 am to 5 pm

[Close Window](#)



Pay Taxes by Credit or Debit Card

Features and Benefits of Paying via Credit or Debit Card:

- It's convenient - taxpayers can e-file or paper- file early and make a payment by credit or debit card later, to delay out-of-pocket expenses. Payments can be made by phone, internet or when e-filing.
- It's safe and secure - standard, commercial card networks are used. The IRS does not receive or store card numbers.
- These electronic tax payment options are available through service providers.
- There is a fee charged by service providers. Fees are based on the amount of the payment and may vary by service provider (see table below).
- Payment information will not be disclosed for any reason other than processing the transaction authorized by the taxpayer.
- A confirmation number is provided at the end of the phone or internet transaction.
- The "United States Treasury Tax Payment" is included on the card statement as further proof of payment. The convenience fee will be included on the statement as a "Tax Payment Convenience Fee" (or similar transaction).
- If enrolled in such a program, taxpayers may earn miles, points, rewards or money back from the credit card issuer.

List of IRS e-pay service providers and fees

Service Provider	Telephone (English and Spanish)	Website	Convenience Fees (Credit Card Option)	Convenience Fees (ATM/Debit ¹ Card Option)	Customer Service Number
Link2Gov Corporation	1-888-PAY1040 ² (1-888-729-1040)	PAY1040.com Business taxpayment.com	2.35% ³	\$3.89 ²	1-888-658-5465
RBS WorldPay, Inc.	1-888-9-PAY-TAX ² (1-888-972-9829)	payUSAtax.com	1.95% ³	\$3.89 ²	1-888-877-0450 (live operator) 1-877-517-4881 (automated, 24/7)
	1-888-877-0450 (live operator)	ValueTaxPayment.com	2.29% ³	\$3.89 ²	1-888-877-0450 (live operator) 1-877-517-4881 (automated, 24/7)
Official Payments Corporation	1-888-UPAY-TAX ² (1-888-872-9829)	officialpayments.com/igd	2.35% ³	\$3.95 ²	1-877-754-4413
	-	choicepay.com/mastercard	1.90% ³	1.90%	1-866-964-2552

¹ The ATM/Debit card must be a Visa Debit Card, or a NYCE, Pulse or Star Debit Card.

² Flat fee per transaction.

³ Contact the service provider to receive up-to-date information regarding fees. The minimum convenience fee is \$3.89 for L2G and RBS, and \$3.95 for OPC.

List of Integrated IRS e-file and e-pay service providers and fees

Service Provider	Integrated e-file and e-pay	Website	Convenience Fees (% of tax payment)	Customer Service Number
Official Payments Corporation	TurboTax	officialpayments.com/turbotax	2.35% ¹	1-866-954-8426
File Your Taxes	File Your Taxes	FileYourTaxes.com	3.93% ²	1-805-644-9398
				1-888-877-0450

RBS WorldPay, Inc.	Drake	flingline 1040.com	2.49% ¹	(live operator)
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¹ Contact the contracted service provider for up-to-date information regarding fees. The minimum convenience fee is \$3.95 for OPC, and \$3.89 for RBS.

² Contact the registered service provider for up-to-date information regarding fees. The minimum convenience fee is \$1.25.

- Generally, taxpayers can make a payment through the above-named service providers using an American Express® Card, Discover® Card, MasterCard® or Visa® card. Taxpayers can visit the service provider's web site for payment method options.
- To make a payment of \$100,000 or greater through the Link2Gov Corporation, taxpayers should call Link2Gov at 1-888-729-1040.
- To make a payment of \$100,000 or greater through the Official Payments Corporation (OPC), taxpayers should call OPC's Special Services Unit at 1-888-889-7228.
- To make a payment of \$500,000 or greater through RBS WorldPay, Inc., taxpayers should call RBS WorldPay at 1-888-877-0450.
- For more information, or to make a payment, taxpayers should contact the service providers.
- Individual e-file Partners for Electronic Payment provides a description of the service providers' products and special offers.

Accepted Tax Payments via Credit or Debit Card:

FORMS	PAYMENT TYPE	MAX PAYMENTS
INDIVIDUAL		
Form 1040 series	Current Tax due (CY)	2 per year
	CY Notice	2 per year
	Prior Year	2 per year
	Advanced Payment of a Determined Deficiency	2 per year
	Installment Agreement	2 per month
Form 1040-ES	Estimated Tax	2 per quarter
Form 1040-X	Amended	2 per year
Form 4868	Extension to File	2 per year
Form 5329	Current Tax due	2 per year
Trust Fund Recovery Penalty	Prior Year	2 per quarter
	Installment Agreement	2 per month
BUSINESS		
Form 940 series	Current Tax due	2 per year
	Prior Year	2 per year
	Installment Agreement	2 per month
	Amended or Adjusted	2 per year
Form 941 series	Current Tax due	2 per quarter
	Prior Year	2 per quarter
	Installment Agreement	2 per month
	Amended or Adjusted	2 per quarter
Form 943 series	Current Tax due	2 per year
	Prior Year	2 per year
	Installment Agreement	2 per month
	Amended or Adjusted	2 per year
Form 944 series	Current Tax due	2 per year
	Prior Year	2 per year
	Amended or Adjusted	2 per year
	Current Tax due	2 per year

Form 945 series	Prior Year	2 per year
	Instalment Agreement	2 per month
	Amended or Adjusted	2 per year
Form 1041 series	Current Tax due	2 per year
	Prior Year	2 per year
Form 1085 series	Current Tax due	2 per year
	Prior Year	2 per year

For more information, refer to the related links at the end of this article.

Credit or Debit Card Convenience Fees

- Taxpayers will be informed of the convenience fee amount before the payment is authorized. This fee is in addition to any charges, such as interest, that may be assessed by the credit card issuer. Taxpayers must agree to the terms and conditions of the payment including acceptance of the convenience fee before the transaction is completed.
- The Taxpayer Relief Act of 1997 authorizes the Treasury to accept these payments for federal taxes but prohibits the IRS from paying a fee or consideration to service providers for processing these transactions.
- In order to provide taxpayers this option, IRS has entered into non-monetary contracts and agreements with service providers.
- The service providers act in the capacity of merchants and are necessary intermediaries in transaction processing. The service providers validate card numbers and expiration dates, obtain authorization from the card issuers and issue confirmation numbers to taxpayers at the end of the payment transaction. The service providers forward tax payment information to the IRS for posting to taxpayer accounts.
- The IRS does not receive or charge any fees for card payments. Additionally, the IRS cannot pay or reimburse any convenience fee to taxpayers. Convenience fees are charged by the service providers. The fee is a deductible business and individual expense. For an individual expense, taxpayers may deduct the fee as a miscellaneous itemized deduction subject to the 2% limit on Form 1040, Schedule A (see Publication 529).

How to Make a Payment

- The integrated e-file and e-pay credit card option is available through a number of tax preparation software products and tax professionals. For additional information about e-filing and paying all at once (including convenience fees and accepted credit cards), taxpayers can refer to tax preparation software or a tax professional.
- When paying through tax preparation software, users will be prompted to enter the necessary credit card information.
- Pay by phone and Internet options are available through service providers.
- When paying by phone, a recorded script will prompt taxpayers through the call.
- When paying by Internet, taxpayers will be prompted to complete the necessary entry fields.

The following information is needed in order to complete a card payment:

Item	Instructions
Primary SSN (individual payments)	This is the social security number of the first person listed on IRS tax package, tax return or form.
Secondary SSN (optional field)	This is the social security number of the second person listed on the IRS tax package, tax return or form.
EIN (Business payments)	This is the employer identification number listed on the IRS tax package, tax return or form.
Card Number	The account number can be up to 16 digits.
Expiration Date	Enter the four digit month/year of the expiration date (for example, June 2012 would be entered 06 and 12, respectively).
Address (Internet only)	Enter full home address.
Address Info (phone only)	If instructed, enter the cardholder's street address number or zip code. This should match the address at which the card statement is received by the cardholder. For example, if the address is: 123 Main Street Maple Town, AA 45678 Enter 123 or 45678, as appropriate.
Amount of Tax Payment	Enter the exact amount that you would like to pay including dollars and cents.
E-mail Address (Internet)	Enter an e-mail address in order to receive an e-mail receipt of the payment

only, optional field)	transaction.
Taxpayer's Daytime Telephone Number	Enter a telephone number where you can be reached Monday through Friday between the hours of 7:00 am and 5:30 pm. This number will only be used to contact you if there is a problem with your payment information.

Facts You Need to Know:

- Payments must be made electronically through tax preparation software, a tax professional or a card payment service provider via phone or Internet.
- Cards should not be forwarded to the IRS with the return or form.
- Account numbers should not be written on the return or form.
- The payment date will be the date the charge is authorized.
- Taxpayers can make partial payments by phone or Internet if the tax preparation software being used allows this.
- Multiple payments cannot be made through tax preparation software.
- Taxpayers who e-file and e-pay should re-rejected returns promptly in order to ensure timely payment. Otherwise, the payment may have to be re-authorized through the card issuer.
- Federal tax deposits cannot be made through these options. Amounts not properly deposited may be subject to a 10% penalty for failure to deposit through an authorized financial institution or EFTPS. It is the responsibility of the employer to ensure that all taxes are paid or deposited correctly and on time. Please refer to [Publication 15 \(Circular E\), Employer's Tax Guide](#) for additional information explaining the requirements for paying employment taxes.
- The IRS does not issue an immediate release of a Federal Tax Lien when a credit or debit card payment is made to full pay the tax liability. Please refer to [Publication 1468](#) for the recommended payment option when an immediate release is necessary.

Cancellations, Errors and Questions:

- Generally, payments cannot be cancelled.
- Taxpayers can call the card issuer or service provider's customer service number to report problems such as unauthorized charges or concerns regarding payment errors.
- Taxpayers can contact the IRS at 1-800-829-1040 to report problems concerning the amount of tax owed or any other matter concerning the tax return.
- Taxpayers can also write to the IRS office where the return would be mailed regarding income tax payment concerns. The impacted taxpayer's SSN or EIN, payment tax year, and payment method should be included.
- In the event the service provider fails to forward the tax payment to the Treasury, the taxpayer will be responsible for the tax payment and for any penalties and interest.
- Voluntary or estimated payments such as Form 4868 and Form 1040-ES payments that result in an overpayment will be resolved through normal administrative procedures.
- In most instances, the Treasury will refund an overpayment to taxpayers once the return is received and processed. An overpayment may be used to settle or offset an existing debt on the taxpayer's account.

Additional information is provided in the articles below:

[Electronic Funds Withdrawal and Credit or Debit Card Payment Options for Businesses](#)

[Pay Taxes by Electronic Funds Withdrawal](#)

[Electronic Funds Withdrawal and Credit or Debit Card Payment Options for Individuals](#)

[Electronic Federal Tax Payment System \(EFTPS\)](#)

[Download IRS Forms and Instructions](#)

[Electronic Payment Options Home Page](#)

Page Last Reviewed or Updated: January 12, 2011

DRA Handout

STATE OF NEW HAMPSHIRE
OFFICE OF LEGISLATIVE BUDGET ASSISTANT
FISCAL NOTE WORKSHEET

Date Sent to Agency: 12/29/2010

LSR #: 11-0943.0

Agency: Department of Revenue Administration

Bill #:

Due to LBAO: 01/11/2011

Amendment #(s):

Correction to a prior response? (Y/N): No

State Fund(s) Affected:

(1) Indicate here what state funds will be affected by the bill: general funds, federal funds, or any special fund. If it is a special fund, please specify.

General: XXX Federal: Other:

	FIRST BIENNIUM			SECOND BIENNIUM	
	FY 2011	FY 2012	FY 2013	FY 2014	FY 2015
State Revenue	Not Applicable	Cannot Be Determined	Cannot Be Determined	Cannot Be Determined	Cannot Be Determined
State Expenditure		Cannot Be Determined	Cannot Be Determined	Cannot Be Determined	Cannot Be Determined
Net State Impact	Not Applicable	Cannot Be Determined	Cannot Be Determined	Cannot Be Determined	Cannot Be Determined
County Revenue	Not Applicable				
County Expenditure					
Net County Impact	Not Applicable				
Local Revenue	Not Applicable				
Local Expenditure					
Net Local Impact	Not Applicable				

- NOTE: (1) List only the amount of change in the appropriate column.
 (2) Place all negative numbers in parenthesis.
 (3) You may replicate this worksheet.
 (4) Refer to Guidelines for Fiscal Note Worksheets for further information.

(A) **ASSUMPTIONS:** Explain how estimate was derived. Describe costs that can be absorbed without additional funding. If no estimate can be prepared, explain why in detail. If no fiscal impact, explain why in detail.

1. This law could be administered by the Department of Revenue Administration with no additional costs due in part to the service fee provision contained in the bill.
2. This bill would allow taxpayers to use credit cards to pay tax, interest and penalty liabilities due to the Department. The bill's language is modeled after RSA 80:52-c (Municipalities collection of tax) and RSA 29:11-b (County collection of tax), as well as similar to other state's processes for accepting electronic payments.
3. Although electronic payment will have a positive impact (savings) to the Department and the State, and would be beneficial to taxpayers who wish to take full advantage of all electronic filing capabilities, the State Revenue and, thus, Net State Impact cannot be determined as the Department is unable to accurately estimate how many taxpayers would utilize the credit card method of payment.
4. Over the past two years, the Department has averaged the receipt and subsequent deposit of approximately 265,000 checks. The actual cost for the Department's handling of those checks is approximately \$592,553 annually.
5. This bill would take effect 60 days after its passage. However, before implementation of this payment method could occur, the Request For Bid process to select the appropriate vendor would have to take place.

(B) **METHOD:** Show calculations used to determine fiscal impact. Calculations must agree with and explain totals on first page.

Although electronic payment will have a positive impact (savings) to the Department and the State, and would be beneficial to taxpayers who wish to take full advantage of all electronic filing capabilities, the State Revenue and, thus, Net State Impact cannot be determined as the Department is unable to accurately estimate how many taxpayers would utilize the credit card method of payment.

Over the past two years, the Department has averaged the receipt and subsequent deposit of approximately 265,000 checks. The actual cost for the Department's handling of those checks is approximately \$592,553 annually:

Cost to process a check \$2.10 X 265,000 checks = \$556,500

Cost to process an NSF (non-M&R Tax) \$139.95 each X 225 checks = \$31,489

Cost to process a paper M&R Tax NSF \$21.53 X 212 checks = \$4,564.36

The State also pays approximately \$87,000 annually for armored car service. In addition, the bank fee for each check is \$.07. That equates to \$18,550 in bank fees.

The cost to the State to process electronic credit card/debit card payments is \$0.

As the Department implements the Webforms with E-file and credit card/debit card capability, the

Department anticipates an ever increasing portion of our taxpayer population to use these enhanced capabilities.

The Department does not foresee any start-up or maintenance costs. With the service fee provision, the Department does not foresee any additional costs to the State associated with this bill.

(C) ESTIMATED FISCAL IMPACT (from A and B): Estimated Fiscal Impact must agree with the totals on first page.

Although electronic payment will have a positive impact (savings) to the Department and the State, and would be beneficial to taxpayers who wish to take full advantage of all electronic filing capabilities, the State Revenue and, thus, Net State Impact cannot be determined as the Department is unable to accurately estimate how many taxpayers would utilize the credit card method of payment.

Over the past two years, the Department has averaged the receipt and subsequent deposit of approximately 265,000 checks. The actual cost for the Department's handling of those checks is approximately \$592,553 annually:

Cost to process a check $\$2.10 \times 265,000$ checks = \$556,500

Cost to process an NSF (non-M&R Tax) \$139.95 each $\times 225$ checks = \$31,489

Cost to process a paper M&R Tax NSF $\$21.53 \times 212$ checks = \$4,564.36

In addition, the bank fee for each check is \$.07. That equates to \$18,550 in bank fees.

As the Department implements the Webforms with E-file and credit card/debit card capability, the Department anticipates an ever increasing portion of our taxpayer population to use these enhanced capabilities.

The Department does not foresee any start-up or maintenance costs. With the service fee provision, the Department does not foresee any additional costs to the State associated with this bill.

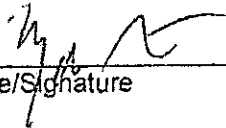
(D) ADDITIONAL COUNTY, LOCAL OR LONG-RANGE EFFECTS:

(E) TECHNICAL OR MECHANICAL DEFECTS: Note any conflicts with existing law. Do not comment on the merits of the legislation.

(F) OTHER COMMENTS: Include tax variables, federal mandates, etc.

If a taxpayer decides to pay by credit card, the taxpayer will be directed from the Department's web form to a third party site that will record the transaction and then transfer the funds to the Department accordingly. Similar to the municipal and county payment process under RSAs 80:52-c and 29:11-b, a service fee will be incurred by the taxpayer in order to process the transaction.

AGENCY REPRESENTATIVE PREPARING WORKSHEET: John C. Lighthall NHDRA 271-1321


Approval Name/Signature

Asst. Commissioner NHDRA 271-2318
Title, Agency and Phone Number

2/1/11
Date

* NH DEPT OF SAFETY

DRA Handout

Thursday, May 5, 2011

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Online Ticket/Citation Payment

Individuals may pay for their State of New Hampshire tickets/citations online. To pay online, a plea of Guilty or NoLo Contendere must be a selected. Unless you have been instructed to come to Court in person, or to respond to the court directly, you MUST answer to the complaint prior to thirty (30) days from the date of issuance shown on the front of the ticket/citation, OR A PENALTY WILL APPLY. Please see/read the Warning.

Note: Any plea that results in a conviction may result in additional administrative action, including license suspension.

Tickets/citations may be paid online up to thirty days from the date of issuance; they may be paid on the same day received. Multiple tickets may be paid in one transaction.

To pay a ticket/citation online, the following items are required:

1. A Ticket/Citation issued within the past 30 days.
2. A valid e-mail address.
3. A valid MasterCard or Visa credit card.
4. Optional: A printer.

Steps involved in paying a ticket/citation online:

1. Select Individual payment.
2. Enter the information requested. **Note:** Type only your last name in the Last Name text box. If your name has a suffix, **do not** include it.
3. Select the RSA (offense) indicated on the ticket/citation you are paying. The amount to be paid will automatically appear. If the fine does not match that indicated, please contact the DMV, 23

Quick Links

- [Online Ticket Payment](#)
- [Individual Ticket Payment](#)
- [Sample Ticket](#)
- [Warning](#)
- [FAQs](#)

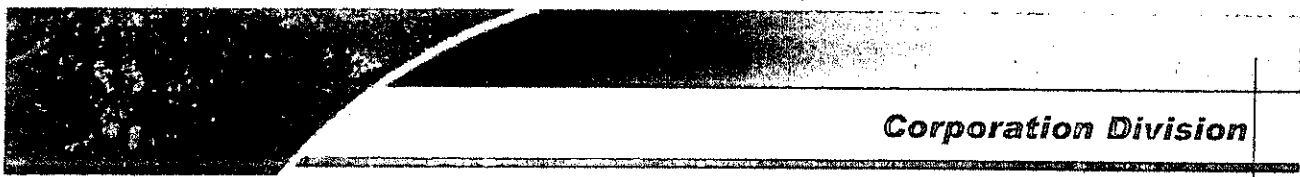
Hazen Drive, Concord, or call the DMV, 800-272-0036 to pay the fine, or you may pay the fine amount indicated.

4. Enter your plea, NoLo Contendere or Guilty.
5. Select the payment option, enter the payment information, and hit Submit.
6. A receipt stating "Confirmation of Payment" or "Declined Transaction" will appear.
 - o Confirmation of Payment means payment has been accepted.
 - o Declined Transaction means payment has not been made. If the transaction is declined, you may "Try Again" by reentering your credit card information or by using a different credit card. If after trying again, a "Declined Transaction" screen still appears, you must contact the DMV to make payment.
7. The receipt which appears on the screen will also be sent to the e-mail address you provided. Please keep a copy for your records.

Please select one of the following, to begin the payment process:

- o Pay a ticket/citation issued to an individual

* NH SECRETARY OF STATE



Corporation Division

**Online Annual Report Filing
Introduction -**

Annual Report Online Filing

Required fields are marked with red.

[Online Annual Report Filing Help](#) | [Corporations](#)

Online Filing: Enter your Business ID and click 'File My Annual Report Online'

Blank Mail-In Report: Enter your Business ID and click 'Create Blank Annual Report'

Business ID:

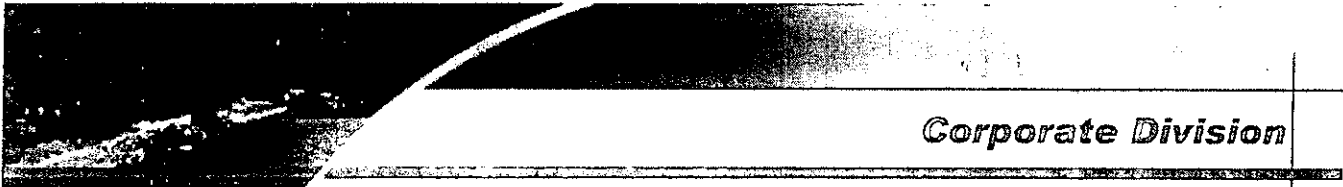
NEW! NEW!

**THE BENEFITS OF ONLINE FILING:
CONVENIENT, EASY STEP BY STEP ENTRY**

- EASY TO FILE, just follow Step by Step instructions.
- Online filings are paid for with Master Card or Visa, there is no need to write a check. Note: At this time we cannot accept credit cards with an address outside of the U.S.
- You can file your annual report online anytime day or night.
- There is NO GUESS WORK in knowing if the Secretary of State received your filing.
- Required information is indicated, completing the filing online prevents rejection of the filing for incomplete information.
- No special programs are required to file online, only a web browser is required.
- Information provided online this year will be on next year's report to edit or file without changes for future years.
- No envelope, no need to mail paper document.
- Payment Confirmation Details, and the ability to see an image of the filed annual report are presented to verify that the filing was accepted and filed.
- There are no concerns regarding the loss of a paper document.
- The paper form IS NOT fillable on line so it will have to be filled in by hand or on a typewriter.
- Secured payment transaction processing through Verisign.



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Frequently Asked Questions

- Business Name Lookup [Click here for FAQ's pertaining to annual report filings.](#)
- Status Definition Legend [1. Do I have to register?](#)
- Annual Reports Online! [2. What are the consequences of not registering my business?](#)
- Forms & Laws [3. Do you offer information on resources to get my business started?](#)
- FAQ's [4. What is the difference between a corporation and a limited liability company? How does an "S" corporation differ from a corporation?](#)
- Starting a Business in NH [5. Can I register on-line?](#)
- Agent Listings [6. May we conduct on-line searches for name availability?](#)
- U.S. Small Business Administration (SBA) Information [7. When I register my company name, will I receive the ID number too?](#)
- N.H. Dept. of Revenue Administration [8. May I get a copy of annual report / articles / certificate of good standing?](#)
- U.S. Internal Revenue Service (IRS) Information [9. What is the status of my registration?](#)
- Contact Us [10. Who are the owners, agents and officers of a particular business?](#)
- Directions [11. What forms of payment do you accept?](#)
- Corporate Division Home [12. What are your hours of operation?](#)
- Uniform Commercial Code (UCC) [13. How do I get a resale certificate?](#)
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- NH.Gov [15. Can I file a name reservation for a nonprofit or a trade name?](#)
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21. Can a N.H. limited liability company convert to a N.H. corporation?

22. Do I need any other license or certification to conduct my business?

23. What are my future obligations with the Secretary of State's office after I register my business?

1. Do I have to register?

A person conducting business under any name other than his/her own legal name must register. For example, John D. Smith doing business as "John D. Smith" **does not** have to register; however, if he conducts business as "John Smith Enterprises" he **does** have to register as "Enterprises" is not part of his legal name.

2. What are the consequences of not registering my business?

You do not have the authority to conduct any business (including advertising) under any name other than your own personal legal name until that name is registered with this office. The Secretary of State's office is not an enforcement agency. However, not registering can have consequences with other agencies or institutions.

3. Do you offer information on resources to get my business started?

Information for resources available for starting a business in New Hampshire may be found at the State of N. H. Economic Development Division, New Hampshire Business Resource Center official website. Links to our registration forms that may be downloaded can be found under Forms and Laws in our navigation bar to the left (visible on all pages of our website). You can also contact the U.S. Small Business Administration at www.sba.gov/nh or call Alice Zachos at 603 225-1607 or Miguel Morales at 603 225-1601.

4. What is the difference between a corporation and a limited liability company? How does an "S" corporation differ from a corporation?

The structure your business assumes is important in determining your limitations and liabilities. If you are unsure of what entity would be most beneficial for your business, your accountant or attorney can help you decide what type of business structure best fits your needs. For a description of the types of business entities in New Hampshire, please follow this link: Types of Business Entities in New Hampshire.

5. Can I register on-line?

On-line registration is not available at this time. Our goal is to provide this valuable service at a future date.

6. May we conduct on-line searches for name availability?

An on-line search for name availability is not available at this time.

7. **When I register my company name, will I receive an ID number too?**

We can provide you with a unique number assigned to each business entity who registers with the State of New Hampshire.

If you would like to apply for a Federal or Employer ID # (FEIN), you can apply online at the IRS website by following [this link](#), download the application form [here](#) or you can contact the IRS at 1-800-829-4933.

8. **May I get a copy of annual report / articles / certificate of good standing?**

Copies and Certificates may be ordered in writing from the Secretary of State. Plain copies are free for the first 20 pages. Requests that exceed 20 pages cost \$.50 per page beginning from page one.

Certified copies are \$1.00 per page and \$5.00 for the Certified Jacket. The Secretary of State's office will invoice for this service.

Certificates of Good Standing cost \$5.00 each and must be pre-paid.

Expedited service is available in the office for an additional \$25.00.

9. **What is the status of my registration?**

For the status of your registration, kindly call our information line at 603-271-3246. The line is open from 8:30 a.m. to 4:00 p.m.

Be prepared to give the operator the name you are registering and the date the form was mailed or hand-delivered to our office.

10. **Who are the owners, agents and officers of a particular business?**

Please visit the Business Name Lookup section of our website to view the most recently filed annual report. Otherwise, this information is available by calling our information line at 603-271-3246. The line is open during business hours from 8:30 a.m. to 4:00 p.m. Be prepared to give the operator the name of the business you are inquiring about and what information is required.

11. **What forms of payment do you accept?**

We accept check, money order, ACH e-account or cash payment. Cash will only be accepted if payment is in the exact amount owed. Checks should be made payable to "**State of New Hampshire**". Credit card payment is accepted for on-line filing of annual reports only (Mastercard and VISA **only**). To establish an e-account, you may contact our Accounting Dept. at 603-271-3242.

Please note: At this time, we cannot accept credit cards with an address outside of the United States.

12. **What are your hours of operation?**

The Corporations Division office is open for business from 8:30 a.m. to 3:30 p.m. Our telephone lines are open from 8:30 a.m. to 4:00 p.m.

13. **How do I get a resale certificate?**

Please refer to the Dept. of Revenue Administration website
<http://www.nh.gov/revenue/taxpayer/resalecert.htm>

14. **Must a name reservation be filed at the same time as a corporation or limited liability company?**

No, an application for reservation of name (Form 1) **is not to be filed** at the same time as the certificate of formation or articles of incorporation is filed. A reservation of name is filed **prior** to the filing of the certificate of formation or articles of incorporation, to:

a.) insure the name is available prior to completing the certificate of formation, articles of incorporation or other documentation. In the event the name is not available, the need to rewrite the forms and other documentation is avoided.

b.) hold the name (if available) for a period of 120 days to allow that amount of time for the preparation of the documents, without the danger of losing the name.

Note: Name reservations cannot be filed for a trade name or nonprofit corporation.

By filing the certificate of formation or articles of incorporation, the entity's name is registered and protected as long as the LLC or corporation remains active on our records.

15. **Can I file a name reservation for a nonprofit or a trade name?**

A reservation of name is used for a limited liability company, for-profit corporation, limited liability partnership, limited partnership or investment trust name. Names cannot be reserved for nonprofits or trade names prior to filing the documents.

16. **Must I file bylaws or operating agreements with the Secretary of State's office?**

No; bylaws and operating agreements are not filed in this office. The Secretary of State's office only files articles of agreement (for a nonprofit corporation), articles of incorporation (for a for-profit corporation), and certificates of formation (for a limited liability company).

17. **To what address will the acknowledgements for filings of corporations and limited liability company forms be sent?**

Acknowledgements will be mailed to the address of the person or entity filing the documents.

18. **How does my nonprofit obtain tax exempt status?**

Tax exempt status [501 C (3)] is obtained through the Internal Revenue Service. Please refer to [FAQ's regarding Applying for Tax Exemption](#).

19. How do I convert my existing entity to a limited liability company?

You must file a certificate of conversion, together with a certificate of formation and form SRA. All three forms with their fees must be submitted together.

20. Can I convert my existing corporation to a limited liability company which is already filed with the N.H. Secretary of State?

No; the limited liability company is created at the time the conversion forms are filed. If the limited liability company has already been formed, it cannot be created as a result of the conversion.

21. Can a N.H. limited liability company convert to a N.H. corporation?

No; current law does not allow for a N.H. limited liability company to convert to a NH corporation.

22. Do I need any other license or certification to conduct my business?

There is no further licensing with this office, however, there may be a requirement for a license or certificate from another agency. Follow this link, www.nhes.state.nh.us/elmi/licertreg.htm to find out if you need additional licensing or certification.

23. What are my future obligations with the Department of State's office after I register my business?

<i>Corporation, Professional Corporation, Limited Liability Company, Professional Limited Liability Company, Consumer Cooperative, Business Trust</i>	An annual report and filing fee for these business types is due by April 1st of each year following the year of registration
<i>Investment Trust, Limited Liability Partnership, Agricultural Cooperative</i>	An annual filing fee for these business types is due by April 1st of each year following the year of registration
<i>Trade Name</i>	Must be renewed every five (5) years to remain active
<i>Nonprofit</i>	A report and filing fee for these business types is due by December 31st every five (5) years pursuant to RSA 292

X PORTSMOUTH NH



[City Home]

City Hall, 1 Junkins Avenue, Portsmouth, NH 03801, Tel: (603) 431-2000. Hours Monday-Friday 8:00 a.m. to 4:30 p.m.

- ▣ DEPARTMENTS
- ▣ Assessor's Office
- ▣ City Clerk
- ▣ City Council
- ▣ City Manager
- ▣ Community Development
- ▣ Economic Development
- ▣ Finance Department
- ▣ Fire Department
- ▣ Health Department
- ▣ Human Resources
- ▣ Inspection Department
- ▣ Legal Department
- ▣ Library
- ▣ Mayor
- ▣ Parking & Transportation
- ▣ Planning Department
- ▣ Police Department
- ▣ Public Works
- ▣ Purchasing
- ▣ Recreation Department
- ▣ School Department
- ▣ Tax Collector
- ▣ Zoning Enforcement

ONLINE BILL PAYMENT

**Accepted Credit Cards: American Express, Discover Card, and MasterCard.
(VISA cannot be accepted for transactions other than
Property Tax payments at this time due to VISA regulations.)*

To make a payment(s), you will need:

Parking Ticket:	Your parking ticket # or your plate #	
Water/Sewer:	Account # or location and amount due	
Property Tax:	Bill #, location, owner and amount due	
Payment:	Your bank routing number and bank account number; or your creditcard* information	

Click Here To:
SIGN UP and/or PAY BILLS ONLINE

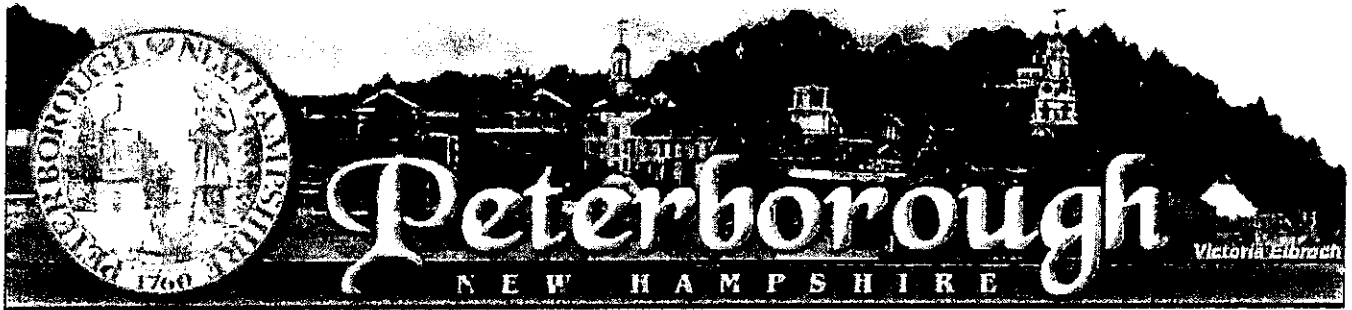
Your information is secure. All payment transactions are processed in an "encrypted" fashion, ensuring the security of your credit card or bank account information. **The City does not retain or store any credit card or bank account information.**

Please be advised:

- Bills and fees may not be available for payment on-line until 2-business days after issuance
- Payments may take up to ten (10) days to post to your account
- If paying an overdue Water or Sewer bill, that may result in a shutoff of services, please contact the billing office at (603) 610-7248 to notify them of your payment
- There is a convenience fee associated with online bill payments...
 - o Electronic checks (ACH Payment) flat fee of 35 cents
 - o Credit/debit cards: Calculated based on the payment amount and fee assigned by the credit card processor

The convenience fee will be clearly shown before you confirm your total payment. These convenience fees are NOT forwarded to the City - they are retained by the payment processor. Bills and fees may not be available for payment on-line until 2-business days after issuance.

X PETERBOROUGH NH



In Town Departments:

- Administration
- Assessing
- Office of Community Development
- Emergency Management Agency
- Finance Department
 - Water Meter Reading Form
- Fire and Rescue
- Peterborough Town Library
- Police Department
- Public Works
- Recreation Department
- Town Clerk's Office

Online Payments of Utility and Property Tax Bills

Online payments for Town of Peterborough are processed by Point & Pay. Point & Pay provides a one source solution for residents to pay their Town bills online. Point & Pay keeps your information secure, and payments are executed in an "encrypted" fashion, so your credit card or checking account information is securely processed.

Please read the following disclaimer:

The information furnished on this site is for the convenience of the user and is not an official public record of the Town of Peterborough. It is provided as a service to the public. The Town makes no warranties, expressed or implied concerning the accuracy, completeness, reliability, or suitability of this information for any particular use. The Town of Peterborough assumes no liability whatsoever associated with the use or misuse of the information. The Town does not store your credit card or checking account information. The official public records from which this information was compiled are kept by the Tax Collector in the Finance Office at 1 Grove Street, Peterborough, New Hampshire, 03458 and are available for inspection and copying during normal business hours for a fee.

Online Payments:

This service will allow you to pay your utility and tax bills 24 hours a day, 7 days a week. Online payments can be made by electronic transfer (ACH), MasterCard, Visa, American Express and Discover. Please be advised that there are charges to process your payment. These charges are NOT collected by the Town. They are collected by the payment processor. Please Note: If your account is in the process of a lien being filed, please contact the Tax Collector for the correct amount to pay.

- [Click Here](#) to pay your Tax Bill.
- [Click Here](#) to pay your Utility Bill.

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Town of Peterborough - 1 Grove Street - Peterborough, NH 03458 - (603)924-8000

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X NASHUA NH

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Pay Now

Welcome to the City of Nashua's Online Payment Service

You can now pay your Waste Water bills fast & conveniently online via our Xpress-pay service using your debit/credit card (Mastercard, Visa, or Discover card) or electronic check.

To get started you can look up your outstanding bill (based on customer's last name, and billing street address name) or have ready your most recent Nashua Wastewater System invoice, which includes account number, bill date and due date.

[Click here to get started.](#)

Other Ways to Pay

- [By Mail](#) (mail your check with the current invoice/bill to the address indicated)
- [At City Hall](#) (cash or check)

Questions?

- [Check our online payments Frequently Asked Questions](#)
- [Contact the City of Nashua Tax Collector's Office](#)
First Floor, City Hall
229 Main Street, Nashua NH 03060
(603) 589-3190

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Pay Now FAQs – Debit/Credit & eCheck Acceptance

Q: What bills can I pay using my credit/debit card or an eCheck?

A: At this time you can pay your regularly billed wastewater charges via credit/debit card or eCheck online. Use of credit/debit or eCheck for other City bills and fees will be coming soon.

You will be charged a site/convenience fee to conduct any debit, credit or eCheck payment online. You can avoid paying the site/convenience fee by paying as before with cash or personal check at the Tax Office counter in City Hall or by mailing a check payment.

Q: Are there different rules and fees for use of a debit card versus a credit card?

A: A debit card will be treated like a credit card, and processed in the same way. Any site/convenience fees will be the same for debit as credit.

Q: Do I have to contact my bank before using an eCheck?

A: An eCheck is a payment drawn electronically from your bank checking account. Using an eCheck does not require a credit or debit card. To use an eCheck you will be asked for both your routing number and your account number. This information can be most easily obtained from your paper checks, or you can contact your financial institution for the numbers (some list routing numbers on their web site). The numbers are never stored by the City or xpress-pay.com after the transaction is complete.

Q: How do I get started?

A: To get started, have your wastewater bill and credit/debit card or check readily available. If you elect to pay online you can locate your bill from any internet connected browser by clicking here or going directly to [xpress-pay.com](#).

You can make an online payment using your VISA, MasterCard or Discover credit/debit card or personal checking account transaction (known as eCheck) by following the instructions at the [xpress-pay.com](#) site.

Q: How are the fees calculated by xpress-pay.com?

A: Debit/Credit transactions - The [xpress-pay.com](#) site/convenience fee is calculated as 2.75% of the amount of the bill plus an additional 60 cent transaction fee. This site fee is collected directly by [xpress-pay.com](#) at the time of transaction and no part of the site fee is collected by or paid to the City.

eCheck transactions - The [xpress-pay.com](#) eCheck site/convenience fee is \$1.75 plus 0.15% (0.15% equals 15 cents per hundred dollars) of the amount of the bill. This site fee is collected directly by [xpress-pay.com](#) at the time of transaction and no part of the site fee is collected by or paid to the City.

Q: How secure is my payment and personal information?

A: The City of Nashua has partnered with [xpress-pay.com](#) to process your payment. Payments are processed through a secured site which uses Secure Sockets Layer (SSL) 128-bit encryption. Only the payment confirmation is provided to the City. Sensitive credit card and related information are not stored by the City or [xpress-pay.com](#) after the transaction is complete.

For more information, visit [xpress-pay.com](#)

Q: Can I make a partial payment?

A: Not at this time.

Q: How soon will my payment be posted?

A: Your financial institution will deduct the payment immediately; however the transaction may take 2-3 days to clear and to be posted to the City's records.

Q: How does the site/convenience fee show on my credit/debit card statement?

A: Your financial institution's statement will show one credit for the City's bill amount, and one credit to Systems East ([xpress-pay.com](#)) for the site/convenience fee.

Q: What do I do if I can't find my bill on-line?

A: Only current bills will be available on-line for payment. If you can't access your bill contact the Nashua Wastewater Office 603-589-3195 or e-mail them at nashuawastewater@NashuaNH.gov

Q: Can I change my mailing address on-line?

A: To change your mailing address you must contact the Nashua Wastewater Office 603-589-3195 or e-mail them at nashuawastewater@NashuaNH.gov

Q: What other departments in City government will be accepting Debit/Credit or e-Check?

A: Although not available at this time, we plan to offer credit/debit card and eCheck payments for Parks & Recreation, City Clerk, Community Development and other fee & bill types in the future.

Q: When will the City offer automatic payments for my Wastewater Bills?

A: xpress-pay.com is developing an automatic payment feature. At this time you can opt to be notified of future wastewater billings via email when you conduct your transaction at xpress-pay.com. Simply fill-in the email field while entering your other information at the time of transaction and check the box next to "Send an email when a new bill arrives".

Q: Will the City offer payment of my bills via the telephone?

A: xpress-pay.com is developing payment options via telephone (also known as IVR).

Q: Are there plans to allow the use of American Express or other Card types in the future?

A: xpress-pay.com is working on an agreement with American Express. Aside from VISA, MasterCard and Discover no additional card types are presently accepted online but this may change.

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X NEWMARKET NH

Online Bill Paying



PAY YOUR BILLS ONLINE!

The Town of Newmarket is excited to provide our citizens the ability to pay their town bills online!

NEW & IMPROVED ONLINE BILL PAYMENT

PLEASE * * * read the page below before signing up.

Bill payers no longer need to search for bills. Bills will automatically link to your new unique login and set-up information.

Effective October 29, 2009, new login and user set-up is required to use this service.

Separate login and sign-up is required for motor vehicle registrations, to comply with security and privacy requirements.

Click Here To:

SIGN UP and/or PAY BILLS ONLINE

To make a payment(s), you will need:

Water/Sewer: a copy of your bill showing your PID# and Tax Map Lot#. Click here for example

Property Tax: a copy of your bill showing your PID# and Tax Map Lot#. Your "PID#" is considered your "Account Number", and your "Tax Map Lot#" is considered your "Record Indicator. Click here for example

Note: You must enter: " P- " before your 6-digit PID number which begins with "0".

Motor Vehicle: a copy of your motor vehicle renewal notice showing your PIN#. Click here for example

Payment: Your bank routing number and bank account number; or your credit card* information.

Your information is secure. Payments are executed in an "encrypted" fashion, ensuring the security of your credit card or bank account information. **The Town does not store any credit card or bank account information.**

Please be advised: There are charges to process your payment: 80 cents for a payment from your checking or savings account and 2.95% for a credit card payment.

The charges will be clearly shown before you must confirm your total payment. These charges are NOT collected by the Town; they are collected by the payment processor.

Accepted Credit Cards include: American Express, Discover Card, and MasterCard.*

VISA cannot be accepted at this time due to VISA regulations.

If you need assistance, please call:

Town Clerk & Tax Collector Office

603-659-3073, ext. 4070.

Mon. - Thurs. 7 am to 5 pm

[Close Window](#)



Pay Taxes by Credit or Debit Card

Features and Benefits of Paying via Credit or Debit Card:

- It's convenient - taxpayers can e-file or paper-file early and make a payment by credit or debit card later, to delay out-of-pocket expenses. Payments can be made by phone, Internet or when e-filing.
- It's safe and secure - standard, commercial card networks are used. The IRS does not receive or store card numbers.
- These electronic tax payment options are available through service providers.
- There is a fee charged by service providers. Fees are based on the amount of the payment and may vary by service provider (see table below).
- Payment information will not be disclosed for any reason other than processing the transaction authorized by the taxpayer.
- A confirmation number is provided at the end of the phone or Internet transaction.
- The "United States Treasury Tax Payment" is included on the card statement as further proof of payment. The convenience fee will be included on the statement as a "Tax Payment Convenience Fee" (or similar transaction).
- If enrolled in such a program, taxpayers may earn miles, points, rewards or money back from the credit card issuer.

List of IRS e-pay service providers and fees

Service Provider	Telephone (English and Spanish)	Website	Convenience Fees (Credit Card Option)	Convenience Fees (ATM/Debit ¹ Card Option)	Customer Service Number
Link2Gov Corporation	1-888-PAY1040 sm (1-888-729-1040)	PAY1040.com BusinessTaxPayment.com	2.35% ²	\$3.89 ²	1-888-658-5465
RBS WorldPay, Inc.	1-888-9-PAY-TAX sm (1-888-872-9629)	payUSAtax.com	1.95% ²	\$3.89 ²	1-888-877-0450 (live operator) 1-877-517-4881 (automated, 24/7)
	1-888-877-0450 (live operator)	ValueTxPayment.com	2.29% ²	\$3.89 ²	1-888-877-0450 (live operator) 1-877-517-4881 (automated, 24/7)
Official Payments Corporation	1-888-UPAY-TAX sm (1-888-872-9829)	officialpayments.com/fed	2.35% ²	\$3.95 ²	1-877-754-4413
	-	choicepay.com/mastercard	1.90% ²	1.90%	1-866-964-2552

¹ The ATM/Debit card must be a Visa Debit Card, or a NYCE, Pulse or Star Debit Card.
² Flat fee per transaction.
³ Contact the service provider to receive up-to-date information regarding fees. The minimum convenience fee is \$3.89 for L2G and RBS, and \$3.95 for OPC.

List of Integrated IRS e-file and e-pay service providers and fees

Service Provider	Integrated e-file and e-pay	Website	Convenience Fees (% of tax payment)	Customer Service Number
Official Payments Corporation	TurboTax	officialpayments.com/turbotax	2.35% ¹	1-866-954-8426
File Your Taxes	File Your Taxes	FileYourTaxes.com	3.93% ²	1-805-644-9398
				1-888-877-0450

RBS WorldPay, Inc.	Drake	leonine.1040.com	2.49% ¹	(live operator)
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¹ Contact the contracted service provider for up-to-date information regarding fees. The minimum convenience fee is \$3.95 for OPC, and \$3.89 for RBS.

² Contact the registered service provider for up-to-date information regarding fees. The minimum convenience fee is \$1.25.

- Generally, taxpayers can make a payment through the above-named service providers using an American Express® Card, Discover® Card, MasterCard® or Visa® card. Taxpayers can visit the service provider's web site for payment method options.
- To make a payment of \$100,000 or greater through the Link2Gov Corporation, taxpayers should call Link2Gov at 1-888-729-1040.
- To make a payment of \$100,000 or greater through the Official Payments Corporation (OPC), taxpayers should call OPC's Special Services Unit at 1-888-889-7228.
- To make a payment of \$500,000 or greater through RBS WorldPay, Inc., taxpayers should call RBS WorldPay at 1-888-877-0450.
- For more information, or to make a payment, taxpayers should contact the service providers.
- Individual e-file Partners for Electronic Payment provides a description of the service providers' products and special offers.

Accepted Tax Payments via Credit or Debit Card:

FORMS	PAYMENT TYPE	MAX PAYMENTS
INDIVIDUAL		
Form 1040 series	Current Tax due (CY)	2 per year
	CY Notice	2 per year
	Prior Year	2 per year
	Advanced Payment of a Determined Deficiency	2 per year
	Installment Agreement	2 per month
Form 1040-ES	Estimated Tax	2 per quarter
Form 1040-X	Amended	2 per year
Form 4868	Extension to File	2 per year
Form 5329	Current Tax due	2 per year
Trust Fund Recovery Penalty	Prior Year	2 per quarter
	Installment Agreement	2 per month
BUSINESS		
Form 940 series	Current Tax due	2 per year
	Prior Year	2 per year
	Installment Agreement	2 per month
	Amended or Adjusted	2 per year
Form 941 series	Current Tax due	2 per quarter
	Prior Year	2 per quarter
	Installment Agreement	2 per month
	Amended or Adjusted	2 per quarter
Form 943 series	Current Tax due	2 per year
	Prior Year	2 per year
	Installment Agreement	2 per month
	Amended or Adjusted	2 per year
Form 944 series	Current Tax due	2 per year
	Prior Year	2 per year
	Amended or Adjusted	2 per year
	Current Tax due	2 per year

Form 945 series	Prior Year	2 per year
	Installment Agreement	2 per month
	Amended or Adjusted	2 per year
Form 1041 series	Current Tax due	2 per year
	Prior Year	2 per year
Form 1065 series	Current Tax due	2 per year
	Prior Year	2 per year

For more information, refer to the related links at the end of this article.

Credit or Debit Card Convenience Fees

- Taxpayers will be informed of the convenience fee amount before the payment is authorized. This fee is in addition to any charges, such as interest, that may be assessed by the credit card issuer. Taxpayers must agree to the terms and conditions of the payment including acceptance of the convenience fee before the transaction is completed.
- The Taxpayer Relief Act of 1997 authorizes the Treasury to accept these payments for federal taxes but prohibits the IRS from paying a fee or consideration to service providers for processing these transactions.
- In order to provide taxpayers this option, IRS has entered into non-monetary contracts and agreements with service providers.
- The service providers act in the capacity of merchants and are necessary intermediaries in transaction processing. The service providers validate card numbers and expiration dates, obtain authorization from the card issuers and issue confirmation numbers to taxpayers at the end of the payment transaction. The service providers forward tax payment information to the IRS for posting to taxpayer accounts.
- The IRS does not receive or charge any fees for card payments. Additionally, the IRS cannot pay or reimburse any convenience fee to taxpayers. Convenience fees are charged by the service providers. The fee is a deductible business and individual expense. For an individual expense, taxpayers may deduct the fee as a miscellaneous itemized deduction subject to the 2% limit on Form 1040, Schedule A (see Publication 529).

How to Make a Payment

- The integrated e-file and e-pay credit card option is available through a number of tax preparation software products and tax professionals. For additional information about e-filing and paying all at once (including convenience fees and accepted credit cards), taxpayers can refer to tax preparation software or a tax professional.
- When paying through tax preparation software, users will be prompted to enter the necessary credit card information.
- Pay by phone and Internet options are available through service providers.
- When paying by phone, a recorded script will prompt taxpayers through the call.
- When paying by Internet, taxpayers will be prompted to complete the necessary entry fields.

The following information is needed in order to complete a card payment:

Item	Instructions
Primary SSN (Individual payments)	This is the social security number of the first person listed on IRS tax package, tax return or form.
Secondary SSN (optional field)	This is the social security number of the second person listed on the IRS tax package, tax return or form.
EIN (Business payments)	This is the employer identification number listed on the IRS tax package, tax return or form.
Card Number	The account number can be up to 16 digits.
Expiration Date	Enter the four digit month/year of the expiration date (for example, June 2012 would be entered 06 and 12, respectively).
Address (Internet only)	Enter full home address.
Address info (phone only)	If instructed, enter the cardholder's street address number or zip code. This should match the address at which the card statement is received by the cardholder. For example, if the address is: 123 Main Street Maple Town, AA 45678 Enter 123 or 45678, as appropriate.
Amount of Tax Payment	Enter the exact amount that you would like to pay including dollars and cents.
E-mail Address (Internet)	Enter an e-mail address in order to receive an e-mail receipt of the payment

only, optional field)	transaction.
Taxpayer's Daytime Telephone Number	Enter a telephone number where you can be reached Monday through Friday between the hours of 7:00 am and 5:30 pm. This number will only be used to contact you if there is a problem with your payment information.

Facts You Need to Know:

- Payments must be made electronically through tax preparation software, a tax professional or a card payment service provider via phone or Internet.
- Cards should not be forwarded to the IRS with the return or form.
- Account numbers should not be written on the return or form.
- The payment date will be the date the charge is authorized.
- Taxpayers can make partial payments by phone or Internet if the tax preparation software being used allows this.
- Multiple payments cannot be made through tax preparation software.
- Taxpayers who e-file and e-pay should re-file rejected returns promptly in order to ensure timely payment. Otherwise, the payment may have to be re-authorized through the card issuer.
- Federal tax deposits cannot be made through these options. Amounts not properly deposited may be subject to a 10% penalty for failure to deposit through an authorized financial institution or EFTPS. It is the responsibility of the employer to ensure that all taxes are paid or deposited correctly and on time. Please refer to [Publication 15 \(Circular E\), Employer's Tax Guide](#) for additional information explaining the requirements for paying employment taxes.
- The IRS does not issue an immediate release of a Federal Tax Lien when a credit or debit card payment is made to full pay the tax liability. Please refer to [Publication 1469](#) for the recommended payment option when an immediate release is necessary.

Cancellations, Errors and Questions:

- Generally, payments cannot be cancelled.
- Taxpayers can call the card issuer or service provider's customer service number to report problems such as unauthorized charges or concerns regarding payment errors.
- Taxpayers can contact the IRS at 1-800-829-1040 to report problems concerning the amount of tax owed or any other matter concerning the tax return.
- Taxpayers can also write to the IRS office where the return would be mailed regarding income tax payment concerns. The impacted taxpayer's SSN or EIN, payment tax year, and payment method should be included.
- In the event the service provider fails to forward the tax payment to the Treasury, the taxpayer will be responsible for the tax payment and for any penalties and interest.
- Voluntary or estimated payments such as Form 4868 and Form 1040-ES payments that result in an overpayment will be resolved through normal administrative procedures.
- In most instances, the Treasury will refund an overpayment to taxpayers once the return is received and processed. An overpayment may be used to settle or offset an existing debt on the taxpayer's account.

Additional information is provided in the articles below:

[Electronic Funds Withdrawal and Credit or Debit Card Payment Options for Businesses](#)

[Pay Taxes by Electronic Funds Withdrawal](#)

[Electronic Funds Withdrawal and Credit or Debit Card Payment Options for Individuals](#)

[Electronic Federal Tax Payment System \(EFTPS\)](#)

[Download IRS Forms and Instructions](#)

[Electronic Payment Options Home Page](#)

Page Last Reviewed or Updated: January 12, 2011

Voting Sheets

HOUSE COMMITTEE ON WAYS AND MEANS

EXECUTIVE SESSION on SB 56-FN

BILL TITLE: (New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes.

DATE: April 21, 2011

LOB ROOM: 202

Amendments:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Sponsor: Rep. OLS Document #:

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. K. Murphy

Seconded by Rep. R. Ober

Vote: 19-0 (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

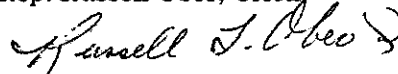
CONSENT CALENDAR VOTE: 19-0

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Russell Ober, Clerk



HOUSE COMMITTEE ON WAYS AND MEANS

EXECUTIVE SESSION on SB 56-FN

BILL TITLE: (New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes.

DATE: 4/21/2011

LOB ROOM: 202

Amendments:

Sponsor: Rep. OLS Document #:
Sponsor: Rep. OLS Document #:
Sponsor: Rep. OLS Document #:

Motions: OTP/OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep. Munsby

Seconded by Rep. Chu

Vote: 19-0 (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Interim Study (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

CONSENT CALENDAR VOTE:

19-0

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Russell Ober, Clerk

WAYS AND MEANS

Bill #: SB 56-FN Title: (NEW TITLE) Authorizing the department of revenue administration to accept credit card and debit card payment of taxes.

PH Date: 4/5/2011 Exec Session Date: 1/1/1

Motion: _____ Amendment #: _____

MEMBER	YEAS	NAYS
Stepanek, Stephen B, Chairman	✓	
Major, Norman L, V Chairman	✓	
Griffin, Mary E	✓	
Hess, David W <i>Balclutha</i>	✓	
Sapareto, Frank V	✓	
Ulery, Jordan G <i>✓</i>		
Osgood, Joe	✓	
Ober, Russell T, Clerk	✓	
Abrami, Patrick F	✓	
Azarian, Gary S	✓	
Daugherty, Duffy	✓ ✓	<i>W</i>
McDonnell, John J	✓	
Murphy, Keith	✓	
Ohm, Bill	✓	
Sanborn, Laurie J	✓	
Shuler, Wyman E <i>Renzullo</i>	✓	
Almy, Susan W	✓	
Hamm, Christine C	✓	
Butynski, William	✓	
Hatch, William A <i>✓</i>		
Cooney, Mary R	✓	

19-0

HOUSE COMMITTEE ON FINANCE

EXECUTIVE SESSION on SB 56-FN

BILL TITLE: (New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes.

DATE: May 10, 2011

LOB ROOM: 210-211

Executive Session was recessed until after 2 pm hearing; need to redraft Kurk amendment # 1818h and change to House Finance amendment. Motion made by Rep. L. Ober, seconded by Rep. Keane to change line # 12 to read percentage rather than amount. Motion failed.

Amendments:

Sponsor: Rep. Kurk	OLS Document #:	2011	1818h
Sponsor: Rep. House Finance	OLS Document #:	2011	1837h

Motions: OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep. Kurk

Seconded by Rep. Keane

Vote: (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep. Cebrowski

Seconded by Rep. W. Smith

Vote: approved (Please attach record of roll call vote.)

Motions: OTR, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep. Vaillancourt

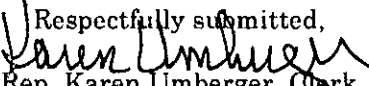
Seconded by Rep. Rosenwald

Vote: 26-0 (Please attach record of roll call vote.)

REGULAR or CONSENT CALENDAR (Please circle one.)

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Karen Umberger, Clerk

#1

HOUSE COMMITTEE ON FINANCE

EXECUTIVE SESSION on SB 56-FN

BILL TITLE: (New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes.

DATE: ~~May 05, 2011~~ May 10, 2011

LOB ROOM: 210-211

Amendments:

- Sponsor: Rep. *Kirk - 1818h* OLS Document #:
- Sponsor: Rep. *Bane* OLS Document #:
- Sponsor: Rep. OLS Document #:

Motions: OTP (OTP/A) ITL, Retained (Please circle one.)

- Moved by Rep. *Kirk*
- Seconded by Rep. *Keane*
- Vote: (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Retained (Please circle one.)

- Moved by Rep.
- Seconded by Rep.
- Vote: (Please attach record of roll call vote.)

REGULAR or CONSENT CALENDAR (Please circle one.)

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Karen Umberger, Clerk

necess until after 2 PM hearing need to redraft amendment

#2

HOUSE COMMITTEE ON FINANCE

EXECUTIVE SESSION on SB 56-FN

BILL TITLE: (New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes.

DATE: May 05, 2011

LOB ROOM: 210-211

Amendments:

Sponsor: Rep. ~~Chapman~~

OLS Document #: 2011-1837h

Sponsor: Rep. ~~Rosenwald~~

OLS Document #:

Sponsor: Rep.

OLS Document #:

Motions: OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep. *Deilancourt*

Seconded by Rep. *Rosenwald*

Vote: (Please attach record of roll call vote.)

Motions: OTP, OTP/A, ITL, Retained (Please circle one.)

Moved by Rep.

Seconded by Rep.

Vote: (Please attach record of roll call vote.)

REGULAR or CONSENT CALENDAR (Please circle one.)

(Vote to place on Consent Calendar must be unanimous.)

Statement of Intent: Refer to Committee Report

Respectfully submitted,

Rep. Karen Umberger, Clerk

FINANCE

Bill #: SB 56 Title: Authorizing the Department of Revenue Admin
to accept credit card & debit card payment of taxes
 PH Date: / / Exec Session Date: 5 / 10 / 11

Motion: DTPAAmendment #: 2011-1818h

MEMBER	YEAS	NAYS
Weyler, Kenneth L, Chairman	26	
Ober, Lynne M, V Chairman	25	
Kurk, Neal M	1	
Emerton, Larry	2	
Rodeschin, Beverly T	3	
Belvin, William S	4	
Elliott, Robert J	5	
Vaillancourt, Steve	6	
Allen, Mary M	7	
Garcia, Marilinda J	8	
Barry, Richard W	9	
Cebrowski, John W	10	
Sova, Charles E	11	
Smith, William B	12	
Umberger, Karen C, Clerk	13	
Keane, Thomas E	14	
McGuire, Dan	15	
Simard, Paul H	16	
Twombly, Timothy L	17	
Worsman, Colette	18	
Foose, Robert A <i>Keans</i>	19	
Nordgren, Sharon	20	
Barody, Benjamin C	21	
Benn, Bernard L	22	
Lerandeau, Alfred C	23	
Rosenwald, Cindy	24	
TOTAL VOTE:	26	0

Committee Report

CONSENT CALENDAR

April 27, 2011

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Committee on WAYS AND MEANS to which was referred SB56-FN,

AN ACT (New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes. Having considered the same, report the same with the recommendation that the bill OUGHT TO PASS.

Rep. Keith Murphy

FOR THE COMMITTEE

COMMITTEE REPORT

Committee:	WAYS AND MEANS
Bill Number:	SB56-FN
Title:	(New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes.
Date:	April 21, 2011
Consent Calendar:	YES
Recommendation:	OUGHT TO PASS

STATEMENT OF INTENT

This bill authorizes the Department of Revenue to accept credit and debit cards when collecting taxes. It provides a convenience to taxpayers that choose to use it, and the department anticipates some savings due to the ease of processing electronic payments compared to the 265,000 paper checks currently processed annually. Implementation will cost the state nothing, and processing fees will be paid by the taxpayer to the chosen payment processor. This same method has been used for years by the Secretary of State with great success.

Vote 19-0.

Rep. Keith Murphy
FOR THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

CONSENT CALENDAR

WAYS AND MEANS

SB56-FN, (New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes. **OUGHT TO PASS.**

Rep. Keith Murphy for WAYS AND MEANS. This bill authorizes the Department of Revenue to accept credit and debit cards when collecting taxes. It provides a convenience to taxpayers that choose to use it, and the department anticipates some savings due to the ease of processing electronic payments compared to the 265,000 paper checks currently processed annually. Implementation will cost the state nothing, and processing fees will be paid by the taxpayer to the chosen payment processor. This same method has been used for years by the Secretary of State with great success.

Vote 19-0.

Original: House Clerk
Cc: Committee Bill File

This bill authorizes the Department of Revenue to accept credit and debit cards when collecting taxes. It provides a convenience to taxpayers that choose to use it, and the department anticipates some savings due to the ease of processing electronic payments compared to the 265,000 paper checks currently processed annually. Implementation will cost the state nothing, and processing fees will be paid by the taxpayer to the chosen payment processor. This same method has been used for years by the Secretary of State with great success.

OK SB8

Soulard, Joan

From: Keith Murphy [rep.keithmurphy@gmail.com]

Sent: Thursday, April 21, 2011 1:09 PM

To: Soulard, Joan

Subject: Fwd: SB 56

Hi Joan,

Please print this blurb for approval. Again.

Thanks,

Keith

SB 56 authorizes the Department of Revenue to accept credit and debit cards when collecting taxes. It provides a convenience to taxpayers that choose to use it, and the department anticipates some savings due to the ease of processing electronic payments compared to the 265,000 paper checks currently processed annually. Implementation will cost the state nothing, and processing fees will be paid by the taxpayer to the chosen payment processor. This same method has been used for years by the Secretary of State with great success.

O/c
8/3/11

COMMITTEE REPORT

COMMITTEE: Ways & Means

BILL NUMBER: SB 56-FN

TITLE: (NEW TITLE) Authorizing the Department of revenue Administration to accept credit card and debit card payments of taxes -

DATE: _____ CONSENT CALENDAR: YES NO

- OUGHT TO PASS
- OUGHT TO PASS W/ AMENDMENT
- INEXPEDIENT TO LEGISLATE
- INTERIM STUDY (Available only 2nd year of biennium)

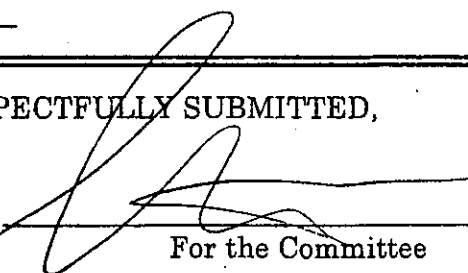
Amendment No.

STATEMENT OF INTENT:

COMMITTEE VOTE: 19-0

RESPECTFULLY SUBMITTED,

- Copy to Committee Bill File
- Use Another Report for Minority Report

Rep.  Keith Murph
For the Committee

REGULAR CALENDAR

May 11, 2011

HOUSE OF REPRESENTATIVES

REPORT OF COMMITTEE

The Committee on FINANCE to which was referred SB56-FN,
AN ACT (New Title) authorizing the department of revenue
administration to accept credit card and debit card payments
of taxes. Having considered the same, report the same with
the following amendment, and the recommendation that the
bill OUGHT TO PASS WITH AMENDMENT.

Rep. Steve Vaillancourt

FOR THE COMMITTEE

COMMITTEE REPORT

Committee:	FINANCE
Bill Number:	SB56-FN
Title:	(New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes.
Date:	May 11, 2011
Consent Calendar:	NO
Recommendation:	OUGHT TO PASS WITH AMENDMENT

STATEMENT OF INTENT

This bill provides a convenience for businesses or individuals to pay their tax bills by credit card. The committee amendment guarantees that the department of revenue administration will properly notify those paying that the cost from the credit card company will be added to the payment. Thus, the state will lose no money with this bill. In fact, there is evidence that this bill will save the state money since DRA numbers indicate it costs approximately \$2.23 to process a check (\$592,553 divided by 265,000 checks). DRA will negotiate the best rate available from a credit card company through an open bidding process. Nothing in this bill will require any entity or person to pay by credit card.

Vote 26-0.

Rep. Steve Vaillancourt
FOR THE COMMITTEE

Original: House Clerk
Cc: Committee Bill File

REGULAR CALENDAR

FINANCE

SB56-FN, (New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes. OUGHT TO PASS WITH AMENDMENT.

Rep. Steve Vaillancourt for FINANCE. This bill provides a convenience for businesses or individuals to pay their tax bills by credit card. The committee amendment guarantees that the department of revenue administration will properly notify those paying that the cost from the credit card company will be added to the payment. Thus, the state will lose no money with this bill. In fact, there is evidence that this bill will save the state money since DRA numbers indicate it costs approximately \$2.23 to process a check (\$592,553 divided by 265,000 checks). DRA will negotiate the best rate available from a credit card company through an open bidding process. Nothing in this bill will require any entity or person to pay by credit card. Vote 26-0.

Original: House Clerk
Cc: Committee Bill File

COMMITTEE REPORT

COMMITTEE: FINANCE

BILL NUMBER: SB 56-FN

TITLE: (new Title) authorizing the department of revenue administration to accept cred. + card & debit card payments of taxes

DATE: 5-10-11 CONSENT CALENDAR: YES NO

- OUGHT TO PASS
- OUGHT TO PASS W/ AMENDMENT
- INEXPEDIENT TO LEGISLATE
- INTERIM STUDY (Available only 2nd year of biennium)

Amendment No.
2011-18 37 h

STATEMENT OF INTENT:

This bill provides a convenience for businesses or individuals to pay their tax bills by credit card. The committee amendment guarantees that the Department of Revenue Administration will properly notify those so paying that the cost from the credit card company will be added to the payment. Thus, the state will lose no money with this bill. In fact, there is evidence that this bill will save the state money since BRA numbers indicate it costs approximately \$2.32 to process a check (\$593,553 divided by 265,000 checks). BRA will negotiate the best rate available from a credit card company through its billing process. Nothing in this bill will

COMMITTEE VOTE: 76-0 require any entity or person to pay by credit card.

RESPECTFULLY SUBMITTED,

Rep. Steve Vultman
For the Committee

- Copy to Committee Bill File
- Use Another Report for Minority Report

[Handwritten signature]

New Hampshire General Court - Bill Status System

Docket of SB56

Docket Abbreviations

Bill Title: (New Title) authorizing the department of revenue administration to accept credit card and debit card payments of taxes.

Official Docket of **SB56**:

Date	Body	Description
2/3/2011	S	Introduced and Referred to Ways & Means, SJ 5 , Pg.44
2/24/2011	S	Hearing: 3/7/11, Room 100, State House, 1:00 p.m.; SC13
3/8/2011	S	Committee Report: Ought to Pass with Amendment # 2011-0688s , NT, Session Date: 3/16/11; SC15
3/16/2011	S	Committee Amendment 0688s, NT, AA, VV; SJ 9 , Pg.140
3/16/2011	S	Ought to Pass with Amendment 0688s, NT, MA, VV; Refer to Finance Rule 4-3; SJ 9 , Pg.140
3/17/2011	S	Committee Report: Ought to Pass, 3/23/11; SC16
3/23/2011	S	Ought to Pass, MA, VV; OT3rdg; SJ 10 , Pg.174
3/23/2011	S	Passed by Third Reading Resolution; SJ 10 , Pg.187
3/28/2011	H	Introduced and Referred to Ways and Means [3/17/2011]; HJ 30 , PG.1036
3/30/2011	H	Public Hearing: 4/5/2011 10:00 AM LOB 202
4/13/2011	H	Executive Session: 4/21/2011 12:30 PM LOB 202
4/21/2011	H	Committee Report: Ought to Pass for April 27 (Vote 19-0; CC); HC 33 , PG.1068
4/27/2011	H	Ought to Pass: MA VV; HJ 40 , PG.1355
4/27/2011	H	Referred to Finance; HJ 40 , PG.1355
4/28/2011	H	Public Hearing: 5/5/2011 10:00 AM LOB 210-211
4/28/2011	H	Full Committee Work Session: 5/5/2011 1:30 PM LOB 210-211
4/28/2011	H	Executive Session: 5/5/2011 LOB 210-211 3:00 PM or immediately following work session ==Recessed==
5/5/2011	H	==Reconvene== Executive Session: 5/10/2011 9:45 AM LOB 210-211
5/11/2011	H	Committee Report: Ought to Pass with Amendment #1837h for May 18 (Vote 26-0; RC); HC 39 , PG.1324
5/11/2011	H	Proposed Committee Amendment # 2011-1837h ; HC 39 , PG.1341
5/18/2011	H	Amendment #1837h Adopted, VV; HJ 44 , PG.1546-1547
5/18/2011	H	Ought to Pass with Amendment #1837h: MA VV; HJ 44 , PG.1546-1547
5/25/2011	S	Sen. Odeil Concurs with House Amendment #1837h, MA, VV; SJ 18 , Pg.390
6/8/2011	H	Enrolled; HJ 51 , PG.1724
6/8/2011	S	Enrolled
6/14/2011	S	Signed by the Governor on 06/14/2011; Effective 08/13/2011; Chapter 0180

NH House

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