



New Hampshire Senate

## News Release

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# Senators tout business friendly bills becoming law

## *Encouraging strong job growth for small business in NH*

Concord, NH - Today, three bills were signed as part of a package of Senate sponsored legislation to reduce the cost of doing business in New Hampshire, including SB 239, SB 342 and HB 1656.

"These three bills are part of our comprehensive goal to reduce the burdens small businesses face, reducing business taxes, energy costs, high workers' compensation and healthcare costs in our state," said Senate Majority Leader Jeb Bradley (R-Wolfeboro). "It has long been one of the Senate's top priorities to create a strong environment to run a small business and create jobs in the State of New Hampshire. I am pleased to see three bills become law which will encourage our local small businesses to grow and expand in the state, removing restrictions on increasing capital or changing the organization of a business to become more competitive."

"With SB 239 becoming law, New Hampshire's tax code will be aligned with the Federal Internal Revenue Code and will increase the capital expense deduction for small businesses from \$25,000 to \$100,000. These changes will encourage small business owners to invest in their companies by incentivizing the purchase of new equipment, helping small businesses to grow and thrive," said Bradley. "In addition to reducing the Business Profits Tax and Business Enterprise Tax in the FY 16-17 budget, we have made great progress in restoring the New Hampshire advantage, and as a result have seen increased job growth. Since January 8,500 more of our friends and neighbors have found employment, nearly double the number who found work in all of 2015 combined. I look forward to building on this effort and making New Hampshire even more competitive for small business in years to come."

"I applaud the signing of SB 342 into law, which allows businesses to grow or change their businesses' structure or organization without being subjected to an unfair tax penalty," said Senator David Boutin (R-Hooksett), a co-sponsor of the bill. "Removing this 'start-up' tax shows prospective businesses that New Hampshire is supportive of innovative companies and their need to expand over time. This change will make New Hampshire an even more attractive place for entrepreneurs with big ideas to start their businesses."

"Business owners, especially in their infancy, may purchase things like real estate in their personal names, and later on realize that there may be a justifiable reason to transfer that building into an LLC or other entity. Before passage of this bill, HB 1656, the State would charge a Real Estate Transfer Tax on the transaction, even though there was no actual change of ownership," said Senator Andy Sanborn (R-Bedford). "Passage of this Bill will allow New Hampshire businesses to make reasonable organizational changes without fear of significant, inappropriate taxes being assessed, in what is clearly not a sale, but just a transfer from one entity to another entity where the ownership remains the same."

"I am pleased to see this legislation become law because this recent interpretation of the Real Estate Transfer tax has made New Hampshire business owners refrain from expanding their business or creating jobs. I am thankful for my Senate colleagues support on this small step that will have a big impact on growing New Hampshire's economy and making our state a better place to do business," said Sanborn.

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