



State of New Hampshire Department of Revenue Administration

109 Pleasant Street
PO Box 457, Concord, NH 03302-0457
Telephone 603-230-5005
www.revenue.nh.gov



Lindsey M. Stepp
Commissioner

Carolynn J. Lear
Assistant Commissioner

March 10, 2021

Rep. Lynne Ober, Chairwoman
House Finance – Division I

Re: Department of Revenue Administration (D R A)

Dear Chairwoman Ober,

Thank you for the opportunity to present the Governor's recommended FY 2022 and FY 2023 budget to Division I. Below are responses to several questions you provided.

1. What new full-time staff has been added to your budget?

There are no new positions, general funded or otherwise, added to the DRA operating budget.

2. What new part-time staff has been added to your budget?

There are no new part-time positions added to the DRA operating budget.

3. What positions had to be eliminated in order to meet the governor’s budget requirements?

There are seven “unfunded” positions that have been removed from the DRA operating budget.

a. Cost for each staff member.

DIVISION	POSITION NUMBER	LABOR GRADE	TITLE	FY22	FY23
TAXPAYER SERVICES	18946	8	CLERK III	51,543.92	55,077.47
TAXPAYER SERVICES	14473	10	TAX EXAMINER I	67,944.05	72,523.58
TAXPAYER SERVICES	14474	12	TAX EXAMINER II	56,737.77	60,539.80
TAXPAYER SERVICES	18958	12	TAX EXAMINER II	56,737.79	60,539.81
MUNICIPAL & PROPERTY	14459	24	MS AUDITOR	79,395.48	85,328.93

TDD Access: Relay NH 1-8007 35-2964

Individuals who need auxiliary aids for effective communication in programs and services of the Department of Revenue Administration are invited to make their needs and preferences known to the Department.

AUDIT	9U644	DD	MULTI-STATE TAX AUDITOR	97,385.94	106,319.34
AUDIT	9U645	DD	MULTI-STATE TAX AUDITOR	97,385.96	106,319.32

b. Brief description of the need for each staff member.

The four positions in the Taxpayer Services Division help to ensure timely processing of tax documents. The Clerk III (position 18946) is currently unfunded and remains unfunded in the Governor's recommended budget.

The Municipal Accounts Auditor in the Municipal and Property Division provides technical assistance to municipal officials and establishes property tax rates.

The two Multi-State Tax Auditors in the Audit Division primarily audit large, multi-national corporations for compliance with New Hampshire's tax laws. These two positions were new in the FY 2020/FY 2021 budget; however, they were not filled prior to the COVID-19 pandemic. The estimated revenue for these positions was \$0 in FY2020 and \$1,500,000 in FY2021.

c. How will work done by this position be accomplished without the position?

The work load has been distributed among the funded positions within each Division to ensure each Division meets their respective missions, as well as meeting the overall mission of the Department.

4. Is your agency adequately staffed to complete all work assigned to your agency in state law?

The DRA is adequately staffed to meet all assigned work.

5. If the answer to Q. 4 is no, please describe.

N/A

6. What things are you doing (found in state law) that could be eliminated and why?

The DRA has no programs that can be eliminated.

7. What priorities did you have that were not funded?

All priorities were funded in the Governor's budget.

8. Please be prepared to discuss any HB2 sections that apply to your agency.

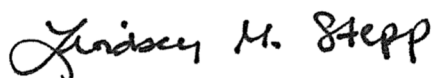
There are no HB 2 sections that apply to the operating budget of DRA. There are, however, several HB 2 sections that apply to the taxes that DRA administers, including:

- Section 74 – A component of the Governor’s proposed Paid Family Leave Plan is a tax credit against the Business Enterprise Tax in an amount equal to 50% of premiums paid by a sponsoring employer for family medical leave insurance coverage.
- Section 78 – Reducing the rate of the Interest & Dividends Tax 1% per year until it is repealed.
- Section 92 – Reducing the Meals & Rentals Tax to 8.5%.
- Section 95 – Increasing the Business Enterprise Tax filing thresholds to \$250,000.
- Section 98 – Reducing the rate of the Business Enterprise Tax to .55%.
- Section 102 – Limiting the amount of credit that a Business Profits Tax or Business Enterprise Tax taxpayer can carryforward to the next taxable period.

The DRA can administer these proposed changes without any additions to our operating budget.

Please do not hesitate to contact me if I can be of any further assistance.

Sincerely,



Lindsey M. Stepp
Commissioner