

TITLE XII

PUBLIC SAFETY AND WELFARE

CHAPTER 162-N

ECONOMIC REVITALIZATION ZONE TAX CREDITS

Section 162-N:1

[RSA 162-N:1 repealed by 2007, 263:123, I, effective July 1, 2011.]

162-N:1 Definition. –

In this chapter, "economic revitalization zone" means a zone designated by the commissioner of resources and economic development as an economic revitalization zone in accordance with the provisions of this chapter.

Source. 2003, 301:2, eff. July 1, 2003. 2007, 263:120, eff. July 1, 2007; 263:123, I, eff. July 1, 2011.

Section 162-N:2

[RSA 162-N:2 repealed by 2007, 263:123, I, effective July 1, 2011.]

162-N:2 Designation of Economic Revitalization Zone. –

I. "Economic revitalization zone" means a zone with a single continuous boundary, comprised of one or more contiguous census tracts or blocks or smaller recognizable physical areas, designated in accordance with the rules adopted under RSA 162-N:8, and certified by the commissioner of resources and economic development as being a brownfields site as defined under RSA 147-F, or having at least one of the following characteristics:

- (a) The population of the municipality or municipalities in which the zone is located, according to the most recent federal census, decreased during the 20 years prior to the census.
- (b) The median household income in the census tract or tracts in which the zone is located is less than \$40,500 according to the most recent federal decennial census.
- (c) At least 20 percent of households in the census tract or tracts in which the zone is located have a median income below the federal poverty level.

(d)(1) The zone contains either:

- (A) Unused or underutilized industrial parks; or
- (B) Vacant land or structures previously used for industrial, commercial, or retail purposes but currently not so used due to demolition, age, obsolescence, deterioration, relocation of the former occupant's operations, or cessation of operation resulting from unfavorable economic conditions either generally or in a specific economic sector; and

(2) Certification of the zone as an economic revitalization zone would likely result in the reduction of the rate of vacant or demolished structures or the rate of tax delinquency in the zone.

II. Economic revitalization zones shall be designated by the commissioner of resources and economic development only upon petition by the local governing body, as defined by RSA 672:6, or the town council. The commissioner of resources and economic development shall

certify that the economic revitalization zone meets the criteria required in paragraph I.

III. The commissioner of resources and economic development is authorized to establish an advisory board for each economic revitalization zone established under this chapter.

Source. 2003, 301:2, eff. July 1, 2003. 2007, 263:120, eff. July 1, 2007; 263:123, I, eff. July 1, 2011.

Section 162-N:3

[RSA 162-N:3 repealed by 2007, 263:123, I, effective July 1, 2011.]

162-N:3 Eligibility Requirements for Business Tax Credits. –

No economic revitalization zone tax credits shall be allowed to any taxpayer unless the taxpayer's project receives written certification from the commissioner of resources and economic development that it will expand the commercial or industrial base in a designated economic revitalization zone and will create new jobs in the state.

Source. 2003, 301:2, eff. July 1, 2003. 2007, 263:120, eff. July 1, 2007; 263:123, I, eff. July 1, 2011.

Section 162-N:4

[RSA 162-N:4 repealed by 2007, 263:123, I, effective July 1, 2011.]

162-N:4 Economic Revitalization Zone Tax Credit Agreement. –

I. The commissioner of resources and economic development shall enter into a written economic revitalization zone tax credit agreement with each taxpayer; such agreement to be certified by the commissioner of resources and economic development under this section. The agreement shall contain such provisions as the commissioner of resources and economic development determines to be in the public interest, which shall include, but not be limited to:

- (a) Quality and quantity of jobs to be created.
- (b) Duration of the taxpayer's commitments with respect to the economic revitalization zone.
- (c) The amount of the taxpayer's investment in the project.
- (d) A precise definition of the location of the facility eligible for the credit.
- (e) The maximum amount of the economic revitalization zone tax credit that will be allowed to the business under this agreement for jobs created and for construction or reconstruction expenses.

II. A certified copy of each agreement signed by the commissioner of resources and economic development and the taxpayer shall be provided to the commissioner of revenue administration.

Source. 2003, 301:2, eff. July 1, 2003. 2007, 263:120, eff. July 1, 2007; 263:123, I, eff. July 1, 2011.

Section 162-N:5

[RSA 162-N:5 repealed by 2007, 263:123, I, effective July 1, 2011.]

162-N:5 Limit on Total Economic Revitalization Zone Credits. –

The aggregate value of all of economic revitalization zone tax credit agreements that the

commissioner of resources and economic development enters into shall not exceed the limit of \$825,000 in any fiscal year. Amounts carried forward pursuant to RSA 162-N:7 shall not be counted against this limit in any year in which they are applied. Notwithstanding RSA 162-N:6, the maximum credit which may be utilized by a taxpayer in any fiscal year shall not exceed \$40,000.

Source. 2003, 301:2, eff. July 1, 2003. 2007, 263:120, eff. July 1, 2007; 263:123, I, eff. July 1, 2011. 2008, 58:1, eff. July 1, 2008.

Section 162-N:6

[RSA 162-N:6 repealed by 2007, 263:123, I, effective July 1, 2011.]

162-N:6 Determination of Economic Revitalization Zone Tax Credits Eligible Amount. –

For the purpose of determining the economic revitalization zone tax credit that the taxpayer is eligible to receive, the amount of the credit to be taken shall be the lesser of the following:

I. The maximum amount of the economic revitalization zone tax credit as stated in the agreement as specified by RSA 162-N:4, I(e); or

II. The sum of the following:

(a) 4 percent of the salary for each new job created in the fiscal year with a wage less than or equal to 1.75 times the then current state minimum wage.

(b) 5 percent of the salary for each new job created in the fiscal year with a wage greater than 1.75 times the then current state minimum wage and less than or equal to 2.5 times the then current state minimum wage.

(c) 6 percent of the salary for each new job created in the fiscal year with a wage greater than 2.5 times the then current state minimum wage.

(d) 4 percent of the lesser of the following:

(1) The actual cost incurred in the fiscal year of creating a new facility or renovating an existing facility, and expenditures for machinery, equipment, or other materials, except inventory.

(2) \$20,000 for each new job created in the fiscal year.

Source. 2003, 301:2, eff. July 1, 2003. 2007, 263:120, eff. July 1, 2007; 263:123, I, eff. July 1, 2011.

Section 162-N:7

[RSA 162-N:7 repealed by 2007, 263:123, I, effective July 1, 2011.]

162-N:7 Application of Economic Revitalization Zone Tax Credit. –

The economic revitalization zone tax credit shall be applied against the business profits tax under RSA 77-A, and any unused portion thereof may be applied against the business enterprise tax under RSA 77-E. Any unused portion of the credit allowed under this chapter or any eligible credit in excess of \$40,000 allowed under this chapter, may be carried forward and allowed against taxes due under RSA 77-A or RSA 77-E for 5 taxable periods from the taxable period in which the tax was paid. For the purpose of the credit allowed under RSA 77-A:5, X, the economic revitalization zone credit shall be considered taxes paid under RSA 77-E.

Source. 2003, 301:2, eff. July 1, 2003. 2007, 263:120, eff. July 1, 2007; 263:123, I, eff. July 1, 2011. 2008, 58:2, eff. July 1, 2008.

Section 162-N:8

[RSA 162-N:8 repealed by 2007, 263:123, I, effective July 1, 2011.]

162-N:8 Rules. –

The commissioner of revenue administration shall adopt rules, under RSA 541-A, relative to documentation of the credits claimed under this chapter. The commissioner of resources and economic development shall, in consultation with the executive director of the community development finance authority, adopt rules, under RSA 541-A, relative to the administration and implementation of this chapter. The rules adopted by the commissioner of resources and economic development shall include provisions relative to:

I. Establishment and certification of economic revitalization zones.

II. Criteria for and approval of projects in economic revitalization zones, including jobs per dollar thresholds.

III. Fees which the commissioner of resources and economic development may charge to each applicant to cover the reasonable costs of the state's administration of the applicant's participation in the economic revitalization zone tax credit program.

Source. 2003, 301:2, eff. July 1, 2003. 2007, 263:120, eff. July 1, 2007; 263:123, I, eff. July 1, 2011.

Section 162-N:9

[RSA 162-N:9 repealed by 2007, 263:123, I, effective July 1, 2011.]

162-N:9 Reports. –

The commissioner of resources and economic development shall file an annual report with the governor, the senate president, the speaker of the house of representatives, and the fiscal committee. The report shall describe the results of the economic revitalization zone tax credit program and shall include any recommendations for further legislation regarding the economic revitalization zone tax credit program.

Source. 2003, 301:2, eff. July 1, 2003. 2007, 263:120, eff. July 1, 2007; 263:123, I, eff. July 1, 2011.