

# State and Local Tax ALERT



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## New Hampshire Research and Development Tax Credit

In 2007, the New Hampshire State Legislature enacted a research and development (R&D) tax credit that allows manufacturers to claim up to 10% of their R&D wages as a credit against the New Hampshire Business Profits Tax.

### How Does the Credit Work?

- The credit is available only to manufacturers.
- Manufacturers may apply for a credit of 10% of their Section 41 wages, incurred in New Hampshire, that exceed the base amount.
- The credit is limited to \$50,000 per taxpayer, per year.
- A maximum of \$1,000,000 per year may be awarded state wide.
- The application of the credit limitation means that the credit is biased towards small businesses.

### How Does My Company Apply for the Credit?

- Taxpayers must file an application with the New Hampshire Department of Revenue by June 30th of the calendar year following the close of the taxpayer's taxable year.
- The application must include the amount of federal wages qualifying for Section 41, the amount of qualifying New Hampshire wages exceeding the base amount, the amount of credit requested (not to exceed \$50,000), and a copy of the taxpayer's federal Form 6765.
- Taxpayers will be notified as to the amount of credits allowed by September 30th.
- Once taxpayers have been notified of the amount allowed, they may file the credit on their tax return for the taxable year in which it was generated.

### How Can alliantgroup Help You?

- The state's vague statutory definitions and confusing forms and application process create a high risk for missed opportunities.
- Only a certain subset of Section 41 expenditures is eligible for the New Hampshire R&D credit.
- alliantgroup's years of experience in dealing with federal and state taxing authorities provide a benefit that is unmatched within the industry.

For more  
information  
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#### About alliantgroup

alliantgroup is an independent specialty tax services firm that works with clients to ensure that they receive the full benefits of all available federal and state government sponsored incentive programs, such as the Research and Development Tax Credit, export tax incentives, manufacturing tax incentives, energy tax incentives, enterprise zone incentives, state and local tax incentives, sales and use tax refund reviews, captive insurance companies, and tax controversy services.

alliantgroup's national headquarters are located in Houston, Texas with offices in Orange County (CA), Los Angeles, San Francisco, San Diego, Chicago, New York, Boston, Miami, Washington D.C., Toledo, Seattle, Atlanta, and New Orleans.



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