

Special Bulletin for NH LLCs

New Hampshire just passed a law to make LLCs and partnerships taxed more like Corporations. Here are **free things** you must know about this law.

- The LLC business profits tax and enterprise tax should be unaffected by this change and similar tax liabilities should be expected.
- NH will levy the personal interest and dividends tax on distributions from LLCs and partnerships that EXCEED reasonable compensation that can be deducted by the managers, members and partners. This is not a new concept, but we can expect the "reasonable compensation" deduction to have more importance.
- Rental real estate LLCs may be the biggest target of this change. For highly profitable LLC real estate operations and partnerships, it is a good time to review your entity, cash distribution plans, reasonable compensation, and set up estimated tax payments for the "new" 2009 interest and dividends tax.

You can **trust** Olbricht Storniolo Group, LLC to bring you the latest in tax changes that will affect you. If you feel this change will impact you, please give us a call so we can discuss your particular issues.



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