

NORTH CAROLINA GENERAL ASSEMBLY
1967 SESSION

CHAPTER 701
HOUSE BILL 427

1 AN ACT TO AMEND G.S. 105-204, RELATING TO THE BENEFICIAL INTEREST IN
2 FOREIGN TRUSTS, SO AS TO CLARIFY THE APPLICATION OF INTANGIBLE TAX
3 TO THE INTEREST IN SUCH FOREIGN TRUSTS.
4

5 The General Assembly of North Carolina do enact:
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7 **Section 1.** G.S. 105-204 is hereby amended by adding at the end thereof a new
8 paragraph to read as follows:

9 "The value of the corpus of such trust, trust fund or trust account shall not be considered in
10 computing taxable value hereunder, unless the person subject to the tax:

- 11 (1) Has the right to the present possession of an interest therein, and then only to
12 the extent of the value of such present interest; or
13 (2) Has the present right to receive a part or all of the income realized from the
14 corpus of such trust, and then only to the extent of the present value of such
15 income interest; or
16 (3) Has created the trust and reserved for himself an income or reversionary or
17 remainder interest therein, and then only to the extent of the present value of
18 such interest."

19 **Sec. 2.** All laws and clauses of laws in conflict with this Act are hereby repealed.

20 **Sec. 3.** The provisions of this Act shall not be considered, one way or another, in
21 determining the tax liability or the method of computing the tax liability of a taxpayer for any
22 year prior to the effective date of this Act under the statute as then in effect.

23 **Sec. 4.** This Act shall be in full force and effect from and after its ratification.

24 In the General Assembly read three times and ratified, this the 6th day of June,
25 1967.