

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 118*

Short Title: Poultry Composting Credit.

(Public)

Sponsors: Representatives Wainwright; and Buchanan.

Referred to: Agriculture, if favorable, Finance.

February 7, 1995

A BILL TO BE ENTITLED

AN ACT TO ENCOURAGE THE COMPOSTING OF POULTRY CARCASSES AND
PROVIDE AN INCOME TAX CREDIT FOR POULTRY COMPOSTING
FACILITIES.

The General Assembly of North Carolina enacts:

Section 1. Division II of Article 4 of Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ 105-151.23. Credit for construction of a poultry composting facility.

(a) Credit. – A taxpayer who constructs in this State a poultry composting facility as defined in G.S. 106-549.51 for the composting of whole, unprocessed poultry carcasses from commercial operations in which poultry is raised or produced is allowed as a credit against the tax imposed by this Division an amount equal to fifty percent (50%) of the installation, materials, and equipment costs of construction paid during the taxable year. This credit may not exceed two thousand dollars (\$2,000) for any single installation. The credit allowed by this section may not exceed the amount of tax imposed by this Division for the taxable year reduced by the sum of all credits allowable, except payments of tax by or on behalf of the taxpayer. The credit allowed by this section does not apply to costs paid with funds provided the taxpayer by a State or federal agency.

1 (b) Property Owned by the Entirety. – In the case of property owned by the
2 entirety, if both spouses are required to file North Carolina income tax returns, the credit
3 allowed by this section may be claimed only if the spouses file a joint return. If only one
4 spouse is required to file a North Carolina income tax return, that spouse may claim the
5 credit allowed by this section on a separate return."

6 Sec. 2. Division I of Article 4 of Chapter 105 of the General Statutes is
7 amended by adding a new section to read:

8 **"§ 105-130.42. Credit for construction of poultry composting facility.**

9 A taxpayer who constructs in this State a poultry composting facility as defined in
10 G.S. 106-549.51 for the composting of whole, unprocessed poultry carcasses from
11 commercial operations in which poultry is raised or produced is allowed as a credit
12 against the tax imposed by this Division an amount equal to fifty percent (50%) of the
13 installation, materials, and equipment costs of construction paid during the taxable year.
14 This credit may not exceed two thousand dollars (\$2,000) for any single installation. The
15 credit allowed by this section may not exceed the amount of tax imposed by this Division
16 for the taxable year reduced by the sum of all credits allowable, except payments of tax
17 by or on behalf of the taxpayer. The credit allowed by this section does not apply to costs
18 paid with funds provided the taxpayer by a State or federal agency."

19 Sec. 3. G.S. 106-549.70 reads as rewritten:

20 **"§ 106-549.70. Disposal ~~pit or incinerator.~~ pit, incinerator, or poultry composting**
21 **facility required.**

22 Every person, firm or corporation engaged in ~~growing poultry, turkeys or other domestic~~
23 ~~fowl or products thereof raising or producing poultry~~ for commercial purposes shall
24 provide and maintain a disposal ~~pit or incinerator~~ pit, incinerator, or poultry composting
25 facility of a size and design, approved by the Department of Agriculture, ~~wherein~~ in
26 which all dead ~~diseased~~ poultry carcasses are disposed. ~~shall be disposed of in a manner to~~
27 ~~prevent the spread of disease; provided, that the provisions of this Article shall~~ This section
28 does not apply to ~~growers of poultry, turkeys or other domestic fowl~~ poultry producers with
29 flocks of 200 or less. The definitions provided in Article 49D of this Chapter apply in
30 this Article."

31 Sec. 4. G.S. 106-549.51 is amended by adding a new subdivision to read:

32 "(25a) 'Poultry composting facility' means a structure or enclosure in
33 which whole, unprocessed poultry carcasses are decomposed by a
34 natural process into an organic, biologically safe by-product that
35 can be used for plant food."

36 Sec. 5. Sections 3 and 4 of this act are effective upon ratification, and the
37 remainder of this act becomes effective for taxable years beginning on or after January 1,
38 1995.