GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2003

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HOUSE BILL 1241
Committee Substitute Favorable 7/17/03

Short Title: ESC Surtax Delay. (Public)

Sponsors:

Referred to:

April 24, 2003

A BILL TO BE ENTITLED

AN ACT TO DELAY THE REINSTATEMENT OF THE TWENTY PERCENT UNEMPLOYMENT INSURANCE SURTAX.

SECTION 1. G.S. 96-9(b)(3)j. reads as rewritten:

"j. A tax is imposed upon contributions at the rate of twenty percent (20%) of the amount of contributions due. The tax is due and payable at the time and in the same manner as the contributions. The tax does not apply in a calendar year if, as of August 1 of the preceding year, either of the following conditions was met: (i) the amount in the Reserve Fund equals or exceeds one hundred sixty-three million three hundred forty-nine thousand dollars ($163,349,000), which is one percent (1%) of taxable wages for calendar year ~~1984.~~1984, or (ii) the balance in the Unemployment Insurance Fund established by G.S. 96-6(a) is five hundred million dollars ($500,000,000) or less. The collection of this tax, the assessment of interest and penalties on unpaid taxes, the filing of judgment liens, and the enforcement of the liens for unpaid taxes is governed by the provisions of G.S. 96-10 where applicable. Taxes collected under this subpart shall be credited to the Employment Security Commission Reserve Fund, and refunds of the taxes shall be paid from the same Fund. Any interest or penalties collected on unpaid taxes shall be credited to the Special Employment Security Administration Fund, and any interest or penalties refunded on taxes imposed by this subpart shall be paid from the same Fund."

SECTION 2. This act is effective when it becomes law. This act is repealed for taxes imposed in the 2005 and subsequent calendar years.