

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

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SENATE DRS15168-LCx-86 (03/26)

Short Title: Clarify Fire Tax Calculation.-AB

(Public)

Sponsors: Senator Hoyle.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THE BASE TO WHICH THE ADDITIONAL FIRE AND
LIGHTNING PREMIUMS TAX RATE APPLIES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-228.5(d)(3) reads as rewritten:

"(3) Additional Statewide Fire and Lightning Rate. – An additional tax shall be applied to the entire gross premiums on ~~contracts~~ each contract of insurance ~~applicable to~~ that includes fire and lightning coverage, except in the case of marine and automobile policies, at the rate of one and thirty-three hundredths percent (1.33%). Twenty-five percent (25%) of the net proceeds of this additional tax shall be deposited in the Volunteer Fire Department Fund established in Article 87 of Chapter 58 of the General Statutes. The remaining net proceeds shall be credited to the General Fund."

SECTION 2. This act becomes effective January 1, 2004, and applies to gross premiums and membership dues from business done on or after that date.