

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009**

**H**

**1**

**HOUSE BILL 1839**

Short Title: Sales & Use Tax Refund Sunset Modification. (Public)

Sponsors: Representatives Moore, Burris-Floyd, England (Primary Sponsors); Brown, Neumann, and Spear.

Referred to: Commerce, Small Business, and Entrepreneurship, if favorable, Finance.

May 20, 2010

A BILL TO BE ENTITLED  
AN ACT TO KEEP NORTH CAROLINA COMPETITIVE BY MODIFYING SALES AND  
USE TAX REFUNDS TO LURE QUALITY JOBS TO THE STATE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-164.14(j) reads as rewritten:

"(j) Certain Industrial Facilities. – The owner of an eligible facility is allowed an annual refund of sales and use taxes as provided in this subsection.

...

(2) Eligibility. – A facility is eligible under this subsection if it meets all of the following conditions:

...

e. If the facility is primarily engaged in paper-from-pulp manufacturing, the owner of the facility creates at least 200 additional jobs, and the business pays an average weekly wage at the facility equal to or greater than the average wage of the county. In making the wage calculation, the business must include any jobs that were filled for at least 1,600 hours during the calendar year.

(3) Industries. – This subsection applies to the following industries:

...

i. Paper-from-pulp manufacturing. – Paper-from-pulp manufacturing means an industry primarily engaged in manufacturing or converting paper, other than newsprint or uncoated groundwood paper, from pulp or pulp products, or in converting purchased sanitary paper stock or wadding into sanitary paper products.

...

(4) Forfeiture. – If the owner of an eligible facility does not make the required minimum investment within five years after the first refund under this subsection with respect to the facility or fails to maintain the minimum number of jobs created with respect to the facility, the facility loses its eligibility and the owner forfeits all refunds already received under this subsection. Upon forfeiture, the owner is liable for tax under this Article equal to the amount of all past taxes refunded under this subsection, plus interest at the rate established in G.S. 105-241.21, computed from the date each refund was issued. The tax and interest are due 30 days after the date of the forfeiture. A person that fails to pay the tax and interest is subject to the penalties provided in G.S. 105-236.



\* H 1 8 3 9 - V - 1 \*

1  
2  
3

...."

**SECTION 2.** This act becomes effective July 1, 2010, and applies to sales made on or after that date.