

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

S

1

SENATE BILL 1178

Short Title: Revenue Laws Technical Changes.

(Public)

Sponsors: Senators Cochrane, Cooper, Kerr, Soles; and Carpenter.

Referred to: Finance.

May 15, 1996

A BILL TO BE ENTITLED

AN ACT TO MAKE TECHNICAL AND CONFORMING CHANGES TO THE
REVENUE LAWS AND RELATED STATUTES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-53(i2) reads as rewritten:

"(i2) Affidavit in Lieu of Records. – The merchant may satisfy the record requirement of subsection (i1) of this section by producing, in lieu of a receipt or invoice, an affidavit under oath or affirmation identifying the source of the merchandise for which a record is requested, including the name and address of the seller, the license number of any auctioneer seller, and the date and place of purchase of the merchandise."

Sec. 2. G.S. 105-113.45(c) reads as rewritten:

"(c) Liquid Base Products. – An excise tax at the rate of seventy-five cents (75¢) a gallon is levied on each individual container of a liquid base product. The tax applies regardless whether the liquid base product is diverted to and used for a purpose other than making a soft drink."

Sec. 3. G.S. 105-117 and G.S. 105-118 are repealed.

Sec. 4. G.S. 105-164.13(2a) reads as rewritten:

"(2a) Any of the following when purchased for use ~~in the commercial production of animals or plants, as appropriate:~~ on animals or plants, as appropriate, held or produced for commercial purposes:

- a. Remedies, vaccines, medications, litter materials, and feeds for animals.
- b. Rodenticides, insecticides, herbicides, fungicides, and pesticides.
- c. Defoliant for use on cotton or other crops.
- d. Plant growth inhibitors, regulators, or stimulators, including systemic and contact or other sucker control agents for tobacco and other crops."

Sec. 5. G.S. 105-164.13(29a) is repealed.

Sec. 6. G.S. 105-164.14(c)(2a) reads as rewritten:

"(2a) A consolidated city-county ~~created pursuant to Article 2 or Article 5 of Chapter 160B of the General Statutes, as defined in G.S. 160B-2.~~"

Sec. 7. G.S. 105-191 and G.S. 105-196 are repealed.

Sec. 8. G.S. 105-197 reads as rewritten:

"§ 105-197. When return required; due date of tax and return.

Anyone who, during the calendar year, gives to a donee a gift of a future interest or one or more gifts whose total value exceeds the amount of the annual exclusion set in G.S. 105-188(d) must file a gift tax return, under oath or affirmation, with the Secretary of Revenue on a form prescribed by the Secretary. ~~A return~~ The tax is due on or before April 15th following the end of the calendar year. A return must be filed on or before the due date of the tax. A taxpayer may ask the Secretary of Revenue for an extension of time for filing a return under G.S. 105-263."

Sec. 9. G.S. 105-229 is repealed.

Sec. 10. G.S. 105-236 reads as rewritten:

"§ 105-236. Penalties.

Except as otherwise provided ~~in this Subchapter, by law,~~ and subject to the provisions of G.S. 105-237, the following penalties shall be applicable:

- (1) Penalty for Bad Checks. – When the bank upon which any uncertified check tendered to the Department of Revenue in payment of any obligation due to the Department returns the check because of insufficient funds or the nonexistence of an account of the drawer, an additional tax equal to ten percent (10%) of the check shall be imposed, subject to a minimum of one dollar (\$1.00) and a maximum of one thousand dollars (\$1,000). This penalty does not apply if the Secretary of Revenue finds that, when the check was presented for payment, the drawer of the check had sufficient funds in an account at a financial institution in this State to pay the check and, by ~~inadvertance,~~ inadvertence, the drawer of the check failed to draw the check on the account that had sufficient funds. The additional tax imposed may not be waived or diminished by the ~~Secretary of Revenue.~~ This subsection applies to all taxes levied or assessed by the State. Secretary.

- (1a) Penalty for Bad Electronic Funds Transfer. – When an electronic funds transfer cannot be completed due to insufficient funds or the

1 nonexistence of an account of the transferor, the Secretary shall assess a
2 penalty equal to ten percent (10%) of the amount of the transfer, subject
3 to a minimum of one dollar (\$1.00) and a maximum of one thousand
4 dollars (\$1,000). ~~This subdivision applies to all taxes levied or assessed by~~
5 ~~the State.~~ This penalty may be waived by the Secretary in accordance
6 with G.S. 105-237.

7 (1b) Making Payment in Wrong Form. – For making a payment of tax in a
8 form other than the form required by the Secretary pursuant to G.S. 105-
9 241(a), the Secretary shall assess a penalty equal to five percent (5%) of
10 the amount of the tax, subject to a minimum of one dollar (\$1.00) and a
11 maximum of one thousand dollars (\$1,000). This penalty may be
12 waived by the Secretary in accordance with G.S. 105-237.

13 (2) Failure to Obtain a License. – For failure to obtain a license before
14 engaging in a business, trade or profession for which a license is
15 required, there shall be assessed an additional tax equal to five percent
16 (5%) of the amount prescribed for ~~such the~~ license per month or fraction
17 thereof until paid, which additional tax shall not exceed twenty-five
18 percent (25%) of the amount so prescribed, but in any event shall not be
19 less than five dollars (\$5.00).

20 (3) Failure to File Return. – In case of failure to file any return ~~required~~
21 ~~under this Subchapter~~ on the date prescribed therefor (determined with
22 regard to any extension of time for filing), unless it is shown that ~~such~~
23 ~~the~~ failure is due to reasonable cause, there shall be added to the amount
24 required to be shown as tax on ~~such the~~ return, as a penalty, five percent
25 (5%) of the amount of ~~such the~~ tax if the failure is for not more than one
26 month, with an additional five percent (5%) for each additional month,
27 or fraction thereof, during which ~~such the~~ failure continues, not
28 exceeding twenty-five percent (25%) in the aggregate, or five dollars
29 (\$5.00), whichever is the greater.

30 (4) Failure to Pay Tax When Due. – In the case of failure to pay any tax
31 when due, without intent to evade the tax, there shall be an additional
32 tax, as a penalty, of ten percent (10%) of the tax; provided, that such
33 penalty shall in no event be less than five dollars (\$5.00).

34 (5) Negligence. –

35 a. Most cases. – For negligent failure to comply with any of the
36 provisions ~~of this Subchapter, to which this Article applies, or~~
37 ~~rules and regulations~~ issued pursuant thereto, without intent to
38 defraud, there shall be assessed, as a penalty, an additional tax of
39 ten percent (10%) of the deficiency due to ~~such negligence;~~
40 ~~provided, that in the negligence.~~

41 b. Large income tax deficiency. – In the case of income tax, if ~~gross~~
42 ~~income is understated by as much as twenty five percent (25%),~~
43 ~~or deductions, exclusive of personal exemptions, are overstated~~

- 1 by as much as twenty five percent (25%) of gross income, or if
2 there is a combination of understatement of gross income and
3 overstatement of deductions, exclusive of personal exemptions,
4 equaling twenty five percent (25%) of gross income, there shall
5 be assessed, as a penalty, an additional tax equal to twenty five
6 percent (25%) of the total deficiency; provided further, that in a
7 taxpayer understates gross income, overstates deductions from
8 gross income, other than personal exemptions, makes erroneous
9 adjustments to federal taxable income, or does any combination
10 of these, and the combined errors equal or exceed twenty-five
11 percent (25%) of gross income, the penalty assessed shall be
12 twenty-five percent (25%) of the deficiency. For purposes of this
13 subdivision, 'gross income' means gross income as defined in
14 section 61 of the Code and 'deductions' means deductions
15 allowed in arriving at federal taxable income.
- 16 c. Large sales tax deficiency. – In the case of sales and use taxes, if
17 it is established that the a taxpayer understates total tax liability is
18 understated by twenty-five percent (25%) or more as a result of
19 any one or more of the following reasons, the penalty assessed
20 shall be twenty-five percent (25%) of the total deficiency:
- 21 a. 1. Omission or understatement of gross sales,
22 gross receipts receipts, or gross purchases; purchases.
- 23 b. 2. Overstatement of exemptions or deductions;
24 deductions.
- 25 e. 3. Incorrect application of a lesser rate of tax. tax;
26 or
- 27 d. ~~Any combination of the foregoing; there shall be assessed as a~~
28 ~~penalty an additional tax equal to twenty five percent (25%) of~~
29 ~~the total deficiency. If a penalty is assessed under subdivision (6)~~
30 ~~of this section, no additional penalty for negligence shall be~~
31 ~~assessed with respect to the same deficiency.~~
- 32 d. No double penalty. – If a penalty is assessed under subdivision
33 (6) of this section, no additional penalty for negligence shall be
34 assessed with respect to the same deficiency.
- 35 (5a) Misuse of Certificate of Resale. – For misuse of a certificate of resale by
36 a purchaser, the Secretary shall assess an additional tax, as a penalty, of
37 two hundred fifty dollars (\$250.00).
- 38 (5b) Road Tax Understatement. – If a motor carrier understates its liability
39 for the road tax imposed by Article 36B of this Chapter by twenty-five
40 percent (25%) or more, the Secretary shall assess the motor carrier a
41 penalty in an amount equal to two times the amount of the deficiency.
- 42 (6) Fraud. – If there is a deficiency or delinquency in payment of any tax
43 levied by this Subchapter, due to tax because of fraud with intent to evade

1 the tax, there shall be assessed, as a penalty, an additional tax equal to
2 fifty percent (50%) of the total deficiency.

3 (7) Attempt to Evade or Defeat Tax. – Any person who willfully attempts,
4 or any person who aids or abets any person to attempt in any manner to
5 evade or defeat ~~any tax imposed by this Subchapter of the General Statutes,~~
6 ~~or the payment thereof, a tax or its payment,~~ shall, in addition to other
7 penalties provided by law, be guilty of a Class I felony which may
8 include a fine up to twenty-five thousand dollars (\$25,000).

9 (8) Willful Failure to Collect, Withhold, or Pay Over Tax. – Any person
10 required ~~under this Subchapter~~ to collect, withhold, account for, and pay
11 over any tax ~~imposed by this Subchapter~~ who willfully fails to collect or
12 truthfully account for and pay over ~~such the~~ tax shall, in addition to
13 other penalties provided by law, be guilty of a Class 1 misdemeanor.
14 Notwithstanding any other provision of law, no prosecution for a
15 violation brought under this subdivision shall be barred before the
16 expiration of three years after the date of the violation.

17 (9) Willful Failure to File Return, Supply Information, or Pay Tax. – Any
18 person required ~~under this Subchapter~~ to pay any tax, to make a return, to
19 keep any records, or to supply any information, who willfully fails to
20 pay ~~such the~~ tax, make ~~such the~~ return, keep ~~such the~~ records, or supply
21 ~~such the~~ information, at the time or times required by law, or ~~regulations~~
22 rules issued pursuant thereto, shall, in addition to other penalties
23 provided by law, be guilty of a Class 1 misdemeanor. Notwithstanding
24 any other provision of law, no prosecution for a violation brought under
25 this subdivision shall be barred before the expiration of three years after
26 the date of the violation.

27 (9a) Aid or Assistance. – Any person, pursuant to or in connection with the
28 revenue laws, who willfully aids, assists in, procures, counsels, or
29 advises the preparation, presentation, or filing of a return, affidavit,
30 claim, or any other document that ~~he the~~ person knows is fraudulent or
31 false as to any material matter, whether or not the falsity or fraud is with
32 the knowledge or consent of the person authorized or required to present
33 or file the return, affidavit, claim, or other document, shall be guilty of a
34 Class I felony which may include a fine up to ten thousand dollars
35 (\$10,000).

36 (10) Failure to File Informational Returns. –

37 a. For failure to file a partnership or a fiduciary informational return
38 when ~~such returns are the~~ return is due to be filed, there shall be
39 assessed as a tax against the delinquent five dollars (\$5.00) per
40 month or fraction thereof of ~~such the~~ delinquency, ~~such tax, this~~
41 penalty, however, in the aggregate not to exceed ~~the sum of~~
42 twenty-five dollars (\$25.00). When assessed against a fiduciary,
43 the ~~tax herein provided~~ penalty shall be paid by the fiduciary and

1 shall not be passed on to the trust or estate. No tax may be
2 assessed against the delinquent when it is a partnership as
3 defined under Section 6231(a)(1)(B) of the Code and no penalty
4 could be assessed as provided by Rev. Proc. 84-35, except that
5 for the purpose of Section 3.01 of that procedure 'the Department
6 of Revenue' is substituted for 'the Internal Revenue Service'.

- 7 b. For failure to file timely statements of payments to another
8 person ~~or persons~~ with respect to wages, dividends, ~~rents~~ ~~rents~~, or
9 interest paid to ~~such other person or persons~~, that person, there shall
10 be assessed as a tax a penalty of one dollar (\$1.00) for each
11 statement not filed on time, the aggregate of ~~such the~~ penalties for
12 each tax year not to exceed one hundred dollars (\$100.00), and in
13 addition thereto, if the Secretary ~~shall request~~ requests the ~~payor~~
14 payer to file ~~such the~~ statements and ~~shall set~~ sets a date ~~on or~~
15 ~~before such statements shall by which the statements must be filed~~,
16 and the ~~payor shall fail to file such~~ payer fails to file the statements
17 within ~~such this~~ time, the amounts claimed on ~~payor's~~ payer's
18 income tax return as deductions for salaries and wages, or rents
19 or interest shall be disallowed to the extent that the ~~payor~~ payer
20 failed to comply with the Secretary's request with respect to ~~such~~
21 the statements.

- 22 (11) Any violation of Subchapter I, V, or VIII of this Chapter or of Article 3
23 of Chapter 119 of the General Statutes is considered an act committed in
24 part at the office of the Secretary in Raleigh. The certificate of the
25 Secretary that a tax has not been paid, a return has not been filed, or
26 information has not been supplied, as required by law, is prima facie
27 evidence that the tax has not been paid, the return has not been filed, or
28 the information has not been supplied.

- 29 (12) Repealed by Session Laws 1991, c. 45, s. 27."

30 Sec. 11. G.S. 105-241.1(e) reads as rewritten:

31 "(e) Statute of Limitations. ~~The~~ There is no statute of limitations and the Secretary
32 may propose an assessment of tax due from a taxpayer at any time if (i) the taxpayer did
33 not file a proper application for a license or did not file a return, (ii) the taxpayer filed a
34 false or fraudulent application or return, or (iii) the taxpayer attempted in any manner to
35 fraudulently evade or defeat the tax.

36 If a taxpayer files a return reflecting a federal determination as provided in G.S. 105-
37 29, 105-130.20, 105-159, 105-160.8, 105-163.6A, or 105-197.1, the Secretary must
38 propose an assessment of any tax due within one year after the return is filed or within
39 three years of when the original return was filed or due to be filed, whichever is later. If
40 there is a federal determination and the taxpayer does not file the required return, the
41 Secretary must propose an assessment of any tax due within three years after the date the
42 Secretary received the final report of the federal determination. If a taxpayer forfeits a tax
43 credit pursuant to G.S. 105-163.014, the Secretary must assess any tax ~~or additional tax~~

1 due as a result of the forfeiture within three years after the date of the forfeiture. If a
2 taxpayer elects under section 1033(a)(2)(A) of the Code not to recognize gain from
3 involuntary conversion of property into money, the Secretary must assess any tax due as
4 a result of the conversion or election within the applicable period provided under section
5 1033(a)(2)(C) or section 1033(a)(2)(D) of the Code. If a taxpayer sells at a gain the
6 taxpayer's principal residence, the Secretary must assess any tax due as a result of the sale
7 within the period provided under section 1034(j) of the Code.

8 In all other cases, the Secretary must propose an assessment of any tax due from a
9 taxpayer within three years after the date the taxpayer filed an application for a license or
10 a return or the date the application or return was required by law to be filed, whichever is
11 later.

12 If the Secretary proposes an assessment of tax within the time provided in this section,
13 the final assessment of the tax is timely.

14 A taxpayer may make a written waiver of any of the limitations of time set out in this
15 subsection, for either a definite or an indefinite time. If the Secretary accepts the
16 taxpayer's waiver, the Secretary may propose an assessment at any time within the time
17 extended by the waiver."

18 Sec. 12. G.S. 105-275(21) reads as rewritten:

19 "(21) The first thirty-eight thousand dollars (\$38,000) in assessed value of
20 housing together with the necessary land therefor, owned and used as a
21 residence by a disabled veteran who receives benefits under ~~Title 38,~~
22 ~~section 801, United States Code Annotated.~~ 38 U.S.C. § 2101. This
23 exclusion shall be the total amount of the exclusion applicable to such
24 property."

25 Sec. 13. Effective July 1, 1996, G.S. 105-275.1(b) reads as rewritten:

26 "(b) Subsequent Distributions. – As soon as practicable after January 1, 1990, the
27 Secretary shall pay to each county and city the amount it received under subsection (a) in
28 1989 plus an amount equal to the county or city average rate multiplied by the value of
29 the items described in subdivisions (ii) and (iii) of subsection (a) that were required to be
30 listed and assessed as of January 1, 1987, and were listed on or before September 1, 1987,
31 in the county or city, plus or minus the percentage of this product that equals the
32 percentage by which State personal income has increased or decreased during the most
33 recent 12-month period for which State personal income data has been compiled by the
34 Bureau of Economic Analysis of the United States Department of Commerce. As soon as
35 practicable after January 1, 1990, the Secretary shall also pay to each county and city an
36 amount equal to the average rate for each special district for which the county or city
37 collected taxes in 1987, but whose tax rates were not included in the county or city's
38 rates, multiplied by the value of the items described in subdivisions (ii) and (iii) of
39 subsection (a) that were required to be listed and assessed as of January 1, 1987, and were
40 listed on or before September 1, 1987, in the district, plus or minus the percentage of this
41 product that equals the percentage by which State personal income has increased or
42 decreased during the most recent 12-month period for which State personal income data
43 has been compiled by the Bureau of Economic Analysis of the United States Department

1 of Commerce. As soon as practicable after January 1, 1991, except as provided in
2 subsection (f), the Secretary shall pay to each county and city the amount it received
3 under this section the preceding year plus an amount equal to the county or city average
4 rate multiplied by the value of the items described in subdivision (v) of subsection (a)
5 contained in the list submitted by the county or city, plus or minus the percentage of this
6 product that equals the percentage by which State personal income has increased or
7 decreased during the most recent 12-month period for which State personal income data
8 has been compiled by the Bureau of Economic Analysis of the United States Department
9 of Commerce. As soon as practical after January 1, 1992, except as provided in
10 subsection (f), the Secretary shall distribute to each county and city the amount it
11 received under this section the preceding year. On or before April 30, 1993, except as
12 provided in subsection (f), the Secretary shall distribute to each county and city ninety-
13 nine and eighty-one one-hundredths percent (99.81%) of the amount it received under
14 this section the preceding year. Thereafter, until August 1995, except as provided in
15 subsection (f), on or before April 30 of each year, the Secretary shall distribute to each
16 county and city the amount it received under this section the preceding year. On or
17 before August 30, 1995, the Secretary shall determine for each county and city the
18 amount it received in April 1995 under this section. ~~Beginning in August 1995 and each~~
19 Each year thereafter, except as provided in subsection (f), the Secretary shall distribute to
20 each county and city ~~sixty percent (60%)~~ fifty percent (50%) of this amount on or before
21 ~~August~~ September 30 and the remaining ~~forty percent (40%)~~ fifty percent (50%) on or
22 before the following April 30.

23 Of the funds received by each county and city pursuant to this subsection in 1990, the
24 portion that was received because the county or city was collecting taxes for a special
25 district (either because the district's tax rate was included in the city or county's rate or
26 because the Secretary paid the county or city the product of the district's average rate and
27 the value of the inventories and other items in the district) shall be distributed among the
28 districts in the county or city as soon as practicable after the city or county receives the
29 funds. The county or city shall distribute to each special district in the county or city the
30 amount it distributed to the district in 1989 plus an amount equal to the average rate for
31 the district multiplied by the value of the items, other than inventory, described in
32 subdivisions (ii) and (iii) of subsection (a) that were required to be listed and assessed as
33 of January 1, 1987, and were listed on or before September 1, 1987, in the district, plus or
34 minus the percentage of this product that equals the percentage by which State personal
35 income has increased or decreased during the most recent 12-month period for which
36 State personal income data has been compiled by the Bureau of Economic Analysis of the
37 United States Department of Commerce.

38 Each year thereafter, until August 1995, as soon as practicable after receiving funds
39 under this subsection, every county and city shall distribute among the special districts
40 for which the county or city collects tax an amount equal to the amount it distributed
41 among such districts the previous year. Each year thereafter, ~~beginning in August 1995,~~ as
42 soon as practical after receiving funds under this subsection in ~~August~~ September, every
43 county and city shall distribute among the special districts for which the county or city

1 collects tax an amount equal to ~~sixty percent (60%)~~ fifty percent (50%) of the amount it
2 distributed among such districts in April 1995, and as soon as practicable after receiving
3 funds under this subsection in April, every county and city shall distribute among the
4 special districts for which the county or city collects tax an amount equal to ~~forty percent~~
5 ~~(40%)~~ fifty percent (50%) of the amount it distributed among such districts in April 1995.

6 The Local Government Commission may adopt rules for the resolution of disputes
7 and correction of errors in the distribution among special districts provided in this
8 subsection. In addition, the Local Government Commission may adopt rules for the
9 reallocation of funds when a special district is dissolved, merged, or consolidated, or
10 when a special district ceases to levy tax, either temporarily or permanently."

11 Sec. 14. Effective July 1, 1996, G.S. 105-277A reads as rewritten:

12 "**§ 105-277A. Reimbursement for exclusion of retailers' and wholesalers'**
13 **inventories.**

14 (a) Submission of Claims. – On or before January 15, 1989, the governing body of
15 each county and city shall furnish to the Secretary a list of all the inventories owned by
16 retailers and wholesalers that were required to be listed and assessed as of January 1,
17 1987, and were listed on or before September 1, 1987, in the county or city under this
18 Subchapter. The list shall contain the value of the inventories as well as the property tax
19 rates in effect in the county or city for the eight years from 1980 through 1987. The list
20 shall also contain the property tax rates in effect for those years in each special district for
21 which the county or city collected taxes in 1987 but whose tax rates were not included in
22 the rates listed for the county or city, and the value of the inventories owned by retailers
23 and wholesalers that were required to be listed and assessed as of January 1, 1987, and
24 were listed on or before September 1, 1987, in that district. The list shall be accompanied
25 by an affidavit attesting to the accuracy of the list and shall be on a form prescribed by
26 the Secretary.

27 The Secretary shall calculate an average rate for each county and city, and for each
28 special district whose tax rates were not included in the tax rates of a county or city, as
29 the arithmetic mean of the property tax rates in effect in the county, city, or district for
30 the eight years from 1980 through 1987. If a county, city, or district did not have tax
31 rates in effect for the entire eight-year period, the average rate shall be the arithmetic
32 mean of the property rates in effect for the years during the eight-year period that it did
33 have rates in effect.

34 (b) First Per Capita Distribution. – As soon as practicable after January 1 of 1989,
35 the Secretary shall distribute to each taxing unit the unit's per capita share of the sum of
36 fifteen million seven hundred forty-five thousand dollars (\$15,745,000). Thereafter, as
37 soon as practicable after January 1 of 1990 and 1991, the Secretary shall distribute to
38 each taxing unit the unit's per capita share of an amount equal to the sum distributed to all
39 taxing units the previous year under this subsection plus or minus the product of the sum
40 distributed the previous year and the percentage by which State personal income has
41 increased or decreased during the most recent 12-month period for which State personal
42 income data has been compiled by the Bureau of Economic Analysis of the United States
43 Department of Commerce.

1 On or before April 30 of 1992, 1993, 1994, and 1995, the Secretary shall distribute to
2 each taxing unit the unit's per capita share of the sum that this subsection provided was to
3 be distributed to all taxing units in 1991. Beginning August 1995 and each year
4 thereafter, the Secretary shall determine for each taxing unit the unit's per capita share of
5 the sum that this subsection provided was to be distributed to all taxing units in 1991.
6 Each year, the Secretary shall distribute to each taxing unit ~~sixty percent (60%)~~ fifty
7 percent (50%) of this share on or before ~~August~~ September 30 and the remaining ~~forty~~
8 ~~percent (40%)~~ fifty percent (50%) of this share on or before the following April 30.

9 To make the per capita distributions required by this subsection, the Secretary shall
10 first allocate the sum to be distributed among the counties on a per capita basis. The
11 Secretary shall then compute a per capita distributable amount for each county by
12 dividing the amount allocated to a county by the total population of the county, plus the
13 population of any incorporated towns and cities located in the county. Each taxing unit in
14 a county, including the county itself, shall receive the product of the population of the
15 taxing unit and the per capita distributable amount for that county.

16 A city or county that receives funds under this subsection and that collects taxes for
17 another taxing unit shall distribute part of the taxes received by it to the taxing unit for
18 which it collects tax. The distribution shall be made on the basis of the proportionate
19 amount of ad valorem taxes levied, for the most recent fiscal year beginning July 1, by
20 the city or county and by all the taxing units for which the city or county collects tax.
21 This distribution shall be made as soon as practicable after a city or county receives funds
22 from the State under this section.

23 (c) Second Per Capita Distribution. – On or before March 20, 1989, the Secretary
24 shall allocate to each county the county's per capita share of the sum of thirty-nine
25 million dollars (\$39,000,000).

26 Each year thereafter through April 1995, on or before April 30, the Secretary of
27 Revenue shall allocate to each county the amount it received the previous year under this
28 subsection. On or before August 30, 1995, the Secretary shall determine for each county
29 the amount it received in April 1995 under this subsection. ~~Beginning in August 1995 and~~
30 ~~each~~ Each year thereafter, the Secretary shall distribute ~~sixty percent (60%)~~ fifty percent
31 (50%) of this amount to each county on or before ~~August~~ September 30 and the remaining
32 ~~forty percent (40%)~~ fifty percent (50%) to each county on or before the following April 30.

33 Amounts allocated to a county under this subsection shall in turn be divided and
34 distributed between the county and the cities located in the county in proportion to the
35 total amount of ad valorem taxes levied by each during the fiscal year preceding the
36 distribution. For the purposes of this section, the amount of the ad valorem taxes levied
37 by a county or city shall include any ad valorem taxes collected by the county or city in
38 behalf of a special district. For the purpose of computing the distribution for any year
39 with respect to which the property valuation of a public service company is the subject of
40 an appeal and the Department of Revenue is restrained by law from certifying the
41 valuation to the appropriate counties and cities, the Department shall use the latest
42 property valuation of that public service company that has been certified.

1 The governing body of each county and city shall report to the Secretary of Revenue
2 such information as he may request in order to make the distribution under this
3 subsection. If a county or city fails to make a requested report within the time prescribed,
4 the Secretary may disregard that county or city and the other taxing units in the county or
5 city in making the distribution.

6 (c1) Claims-based Distribution. – On or before March 20, 1989, the Secretary shall
7 distribute to each county and city an amount equal to the amount by which the county or
8 city's inventory loss, as defined in subsection (d) of this section, exceeds the amount of
9 the reimbursement received by the county or city under subsection (c) of this section.

10 Except as provided in subsection (g) of this section, each year thereafter through
11 April 1995, on or before April 30, the Secretary shall distribute to each county and city
12 the amount it received the previous year under this subsection. On or before August 30,
13 1995, the Secretary shall determine for each county and city the amount it received in
14 April 1995 under this subsection. ~~Beginning in August 1995 and each~~ Each year thereafter,
15 the Secretary shall distribute ~~sixty percent (60%)~~ fifty percent (50%) of this amount to each
16 county and city on or before ~~August~~ September 30 and the remaining ~~forty percent (40%)~~
17 fifty percent (50%) of this amount to each county and city on or before the following
18 April 30.

19 (c2) Supplemental Distribution. – On or before March 20, 1989, the Secretary shall
20 determine, with respect to each county and city, whether the sum of (i) the amount the
21 county or city received under subsection (c), plus (ii) the amount the county or city
22 received under subsection (c1), plus (iii) three and four-tenths percent (3.4%) of the total
23 distribution received by the county or city under G.S. 105-472, 105-486, 105-501, and
24 Chapter 1096 of the 1967 Session Laws between January 1, 1988, and December 31,
25 1988, is less than ninety percent (90%) of the amount of taxes the county or city actually
26 levied on inventories owned by retailers and wholesalers for the 1987-88 tax year. If that
27 sum is less than ninety percent (90%) of the amount of taxes the county or city actually
28 levied on those inventories for the 1987-88 tax year, the Secretary shall distribute to that
29 county or city a supplemental amount equal to the amount by which ninety percent (90%)
30 of the taxes it actually levied on inventories owned by retailers and wholesalers for the
31 1987-88 tax year exceeds the total of subdivisions (i), (ii), and (iii).

32 Except as provided in subsection (g) of this section, each year thereafter through
33 April 1995, on or before April 30, the Secretary shall distribute to each county and city
34 the amount it received the previous year under this subsection. On or before August 30,
35 1995, the Secretary shall determine for each county and city the amount it received in
36 April 1995 under this subsection. ~~Beginning in August 1995 and each~~ Each year thereafter,
37 the Secretary shall distribute ~~sixty percent (60%)~~ fifty percent (50%) of this amount to each
38 county and city on or before ~~August~~ September 30 and the remaining ~~forty percent (40%)~~
39 fifty percent (50%) of this amount to each county and city on or before the following
40 April 30.

41 (c3) Distribution to Special Districts. – Of the funds received by each county and
42 city pursuant to subsections (c), (c1), and (c2) of this section, the portion that was
43 received because the county or city was collecting taxes for a special district shall be

1 distributed among the districts in the county or city in proportion to the amount of each
2 special district's inventory levy, as defined in subsection (d) of this section, as soon as
3 practicable after the city or county receives funds under this subsection. The Local
4 Government Commission may adopt rules for the resolution of disputes and correction of
5 errors in the distribution among special districts provided in this paragraph. In addition,
6 the Local Government Commission may adopt rules for the reallocation of funds when a
7 special district is dissolved, merged, or consolidated, or when a special district ceases to
8 levy tax, either temporarily or permanently. ~~The Local Government Commission shall report~~
9 ~~to the 1990 General Assembly any errors it discovers in the information furnished by local~~
10 ~~governments to the Secretary as required in subsection (a) of this section.~~

11 (d) Definitions. – The following definitions apply in this section:

12 (1) 'City' has the same meaning as in G.S. 153A-1(1).

13 (2) 'City's inventory loss' means the city's average rate multiplied by eighty
14 percent (80%) of the value of the inventories reported to the Secretary
15 under subsection (a) of this section by the city, plus the average rate for
16 each special district for which the city collected taxes in 1987, but
17 whose tax rates were not included in the city's rates, multiplied by
18 eighty percent (80%) of the value of the inventories reported to the
19 Secretary under subsection (a) of this section in behalf of the district,
20 plus or minus the percentage of this amount that equals the lesser of five
21 percent (5%) or the percentage by which State personal income has
22 increased or decreased during the most recent 12-month period for
23 which State personal income data has been compiled by the Bureau of
24 Economic Analysis of the United States Department of Commerce,
25 minus three and four-tenths percent (3.4%) of the total distribution
26 received by the city under G.S. 105-472, 105-486, 105-501, and Chapter
27 1096 of the 1967 Session Laws between January 1, 1988, and December
28 31, 1988.

29 (3) 'County's inventory loss' means the county's average rate multiplied by
30 eighty percent (80%) of the value of the inventories reported to the
31 Secretary under subsection (a) of this section by the county, plus the
32 average rate for each special district for which the county collected
33 taxes in 1987, but whose tax rates were not included in the county's
34 rates, multiplied by eighty percent (80%) of the value of the inventories
35 reported to the Secretary under subsection (a) of this section in behalf of
36 the district, plus or minus the percentage of this amount that equals the
37 lesser of five percent (5%) or the percentage by which State personal
38 income has increased or decreased during the most recent 12-month
39 period for which State personal income data has been compiled by the
40 Bureau of Economic Analysis of the United States Department of
41 Commerce, minus three and four-tenths percent (3.4%) of the total
42 distribution received by the county under G.S. 105-472, 105-486, 105-

1 501, and Chapter 1096 of the 1967 Session Laws between January 1,
2 1988, and December 31, 1988.

3 (4) 'Special district's inventory levy' means the special district's average rate
4 multiplied by eighty percent (80%) of the value of the inventories
5 reported to the Secretary under subsection (a) of this section in behalf of
6 the district.

7 (5) 'Taxing unit' means a unit that levied a property tax or for which another
8 unit collected a property tax for the fiscal year preceding the fiscal year
9 a distribution is made under this section.

10 (e) Population Estimates. – In making the per capita calculations under this
11 section, the Secretary shall use the most recent annual population estimates certified by
12 the State Planning Officer.

13 (f) Source of Funds. – To pay for the distribution required by this section and the
14 cost of making the distribution, the Secretary shall draw from collections received under
15 Division I of Article 4 of this Chapter an amount equal to the amount distributed and the
16 cost of making the distribution.

17 (g) Correction of Errors. – If the Secretary discovers that the amount or value of
18 any inventories listed by a county or city pursuant to subsection (a) of this section was
19 overstated or understated, the Secretary shall adjust the amount to be distributed under
20 subsections (c1) and (c2) as follows. For the distribution to be made in the year
21 following discovery of the overstatement or understatement, the Secretary shall distribute
22 to the county or city the amount it would have received under subsections (c1) and (c2) in
23 1989 if it had not overstated or understated the amount or value of any inventories, plus
24 the total amount it failed to receive in 1989 and subsequent years due to understatement
25 of the amount or value of the inventories, or minus the total amount it received in 1989
26 and subsequent years due to overstatement of the amount or value of the inventories.
27 Thereafter, each year the Secretary shall distribute to the county or city the amount it
28 would have received under subsections (c1) and (c2) in 1989 if it had not overstated or
29 understated the amount or value of any inventories."

30 Sec. 15. G.S. 105-278.7(a)(1) reads as rewritten:

31 "(1) Wholly and exclusively used by its owner for nonprofit educational,
32 scientific, literary, or charitable purposes as defined in subsection (e),
33 (f), below; or".

34 Sec. 16. G.S. 105-282.1(a)(3) reads as rewritten:

35 "(3) After an owner of property entitled to exemption under G.S. 105-278.3,
36 105-278.4, 105-278.5, 105-278.6, 105-278.7, or 105-278.8 or exclusion
37 under G.S. 105-275(3), (7), (8), (12), (17) through (19), (21) or (39),
38 G.S. ~~105-277.1~~ 105-277.1, or G.S. 105-278 has applied for exemption or
39 exclusion and the exemption or exclusion has been approved, the owner
40 is not required to file an application in subsequent years except in the
41 following circumstances:

- 1 a. New or additional property is acquired or improvements are
2 added or removed, necessitating a change in the valuation of the
3 property; or
4 b. There is a change in the use of the property or the qualifications
5 or eligibility of the taxpayer necessitating a review of the
6 exemption or exclusion."

7 Sec. 17. G.S. 105-277.2(4)a. reads as rewritten:

- 8 "a. A natural person. For the purpose of this section, a natural person
9 who is an income beneficiary of a trust that owns land may elect
10 to treat the person's beneficial share of the land as owned by that
11 person. If the person's beneficial interest is not an identifiable
12 share of land but can be established as a proportional interest in
13 the trust income, the person's beneficial share of land is a
14 percentage of the land owned by the trust that corresponds to the
15 beneficiary's proportional interest in the trust income. For the
16 purpose of this section, a natural person who is a member of a
17 business ~~entity~~ entity, other than a corporation, that owns land
18 may elect to treat the person's share of the land as owned by that
19 person. The person's share is a percentage of the land owned by
20 the business entity that corresponds to the person's percentage of
21 ownership in the entity."

22 Sec. 18. G.S. 105-333 reads as rewritten:

23 **"§ 105-333. Definitions.**

24 ~~When used~~ The following definitions apply in this Article unless the context requires a
25 different meaning:

- 26 (1) ~~"Airline company" means a public service~~ Airline company. – A company
27 engaged in the business of transporting passengers and property by
28 aircraft for hire within, into, or from this State.
29 (2) ~~" Bus line company" means a public service~~ Bus line company. – A
30 company engaged in the business of transporting passengers and
31 property by motor vehicle for hire over the public highways of this State
32 (but not including a bus line company operating primarily upon the
33 public streets within a single local taxing unit), whether the
34 transportation ~~be is~~ is within, into, or from this State.
35 (3) ~~" Distributable system property" means all~~ Distributable system property. –
36 All real property and tangible and intangible personal property owned or
37 used by a railroad company other than nondistributable system property.
38 (4) ~~" Electric membership corporation" means a public service~~ Electric
39 membership corporation. – A company ~~which is~~ organized, reorganized,
40 or domesticated under the provisions of Chapter 117 of the General
41 Statutes and which is engaged in the business of supplying electricity for
42 light, heat, or power to consumers in this State.

- 1 (5) "~~Electric power company~~" means a ~~public service~~ Electric power company.
2 – A company engaged in the business of supplying electricity for light,
3 heat, or power to consumers in this State.
- 4 (6) Repealed by Session Laws 1973, c. 783, s. 5.
- 5 (7) "~~Flight equipment~~" means ~~aircraft~~ Flight equipment. – Aircraft fully
6 equipped for flying and used in any operation within this State.
- 7 (8) "~~Gas company~~" means a ~~public service~~ Gas company. – A company
8 engaged in the business of supplying artificial or natural gas to, from,
9 within, or through this State through pipe or tubing for light, heat, or
10 power to consumers in this State.
- 11 (9) "~~Locally assigned rolling stock~~" means ~~rolling~~ Locally assigned rolling
12 stock. – Rolling stock that is owned or leased by a motor freight carrier
13 company, specifically assigned to a terminal or other premises, and is
14 regularly used at the premises to which assigned.
- 15 (10) "~~Motor freight carrier company~~" means a Motor freight carrier company. –
16 A company engaged in the business of transporting property by motor
17 vehicle for hire over the public highways of this State as provided in this
18 subdivision:
19 a. As to interstate carrier companies domiciled in North Carolina,
20 this term includes carriers who regularly transport property by
21 tractor trailer to or from one or more terminals owned or leased
22 by the carrier outside this State or two or more terminals inside
23 this State. For purposes of appraisal and allocation only, the term
24 also includes a North Carolina interstate carrier that does not
25 have a terminal outside this State but whose operations outside
26 the State are sufficient to require the payment of ad valorem
27 taxes on a portion of the value of the rolling stock of the carrier
28 to taxing units in one or more other states.
- 29 b. As to interstate carrier companies domiciled outside this State,
30 this term includes carriers who regularly transport property by
31 tractor trailer to or from one or more terminals owned or leased
32 by the carrier inside this State.
- 33 c. As to intrastate carrier companies, this term includes only those
34 carriers that are engaged in the transportation of property by
35 tractor trailer to or from two or more terminals owned or leased
36 by the carrier in this State.
- 37 (11) "~~Nondistributable system property~~" means ~~the~~ Nondistributable system
38 property. – The following properties owned by a railroad company:
39 ~~Land~~ land other than right-of-way, depots, machine shops, warehouses,
40 office buildings, other structures, and the contents of the structures
41 listed in this subdivision.

- 1 (12) "~~Nonsystem property~~" means the Nonsystem property. – The real and
2 tangible personal property owned by a public service company but not
3 used in its public service activities.
- 4 (13) "~~Pipeline company~~" means a public service Pipeline company. – A
5 company engaged in the business of transporting natural gas, petroleum
6 products, or other products through pipelines to, from, within, or
7 through this State, or having control of pipelines for such a purpose.
- 8 (14) "~~Public service company~~" means Public service company. – A railroad
9 company, a pipeline company, a gas company, an electric power
10 company, an electric membership corporation, a telephone company, a
11 telegraph company, a bus line company, an airline company, and any
12 other company performing a public service that is regulated by the
13 Interstate Commerce Commission, the Federal Power Commission, the
14 Federal Communications Commission, the Federal Aviation Agency, or
15 the North Carolina Utilities Commission, except that the term does not
16 include a water company, a radio common carrier company as defined
17 in G.S. 62-119(3), a cable television company, or a radio or television
18 broadcasting company. The term also includes a motor freight carrier
19 company. For purposes of appraisal under this Article, the term also
20 includes a pipeline company whether or not it performs a public service
21 and whether or not it is regulated by one of the regulatory agencies
22 named in this subdivision.
- 23 (15) "~~Railroad company~~" means a public service Railroad company. – A
24 company engaged in the business of operating a railroad to, from, within
25 or through this State on rights-of-way owned or leased by the company.
26 It also means a company operating a passenger service on the lines of
27 any railroad located wholly or partly in this State.
- 28 (16) "~~Rolling stock~~" means motor Rolling stock. – Motor vehicles, railroad
29 locomotives, and railroad cars that are propelled by mechanical or
30 electrical power and used upon the highways or, in the case of railroad
31 vehicles, upon tracks.
- 32 (17) "~~System property~~" means the System property. – The real property and
33 tangible and intangible personal property used by a public service
34 company in its public service activities. ~~It also means~~ The term also
35 includes public service company property under construction on the day
36 as of which property is assessed which when completed will be used by
37 the owner in its public service activities.
- 38 (18) "~~Telegraph company~~" means a public service Telegraph company. – A
39 company engaged in the business of transmitting telegraph messages to,
40 from, within, or through the State.
- 41 (19) "~~Telephone company~~" means a public service Telephone company. – A
42 company engaged in the business of transmitting telephone messages
43 and conversations to, from, within, or through this State.

1 (20) Repealed by Session Laws 1973, c. 783, s. 5."

2 Sec. 19. G.S. 58-6-25(d) reads as rewritten:

3 "(d) Use of Proceeds. – The Insurance Regulatory Fund is created in the State
4 treasury, under the control of the Office of State Budget and Management. The proceeds
5 of the charge levied in this section and all fees collected under Articles 69 through 71 of
6 this Chapter and under Articles 9 and 9C of Chapter 143 of the General Statutes shall be
7 credited to the Fund. The Fund shall be placed in an interest-bearing account and any
8 interest or other income derived from the Fund shall be credited to the Fund. Moneys in
9 the Fund may be spent only pursuant to appropriation by the General Assembly and in
10 accordance with the line item budget enacted by the General Assembly. The Fund is
11 subject to the provisions of the Executive Budget Act, except that no unexpended surplus
12 of the Fund shall revert to the General Fund. All money credited to the Fund shall be used
13 to reimburse the General Fund for the following:

14 (1) Money appropriated to the Department of Insurance to pay its expenses
15 incurred in regulating the insurance industry and other industries in this
16 State.

17 (2) Money ~~money~~ appropriated to State agencies to pay the expenses
18 incurred in regulating the insurance industry, in certifying statewide
19 data processors under Article 11A of Chapter 131E of the General
20 Statutes, and in purchasing reports of patient data from statewide data
21 processors certified under that Article."

22 Sec. 20. G.S. 113-44.15(b) reads as rewritten:

23 "(b) ~~Beginning July 1, 1995, funds~~ Funds in the Trust Fund are annually appropriated
24 to the North Carolina Parks and Recreation Authority and, unless otherwise specified by
25 the General Assembly or the terms or conditions of a gift or grant, shall be allocated and
26 used as follows:

27 (1) Sixty-five percent (65%) for the State Parks System for capital projects,
28 repairs and renovations of park facilities, and land acquisition.

29 (2) Thirty percent (30%) to provide matching funds to local governmental
30 units on a dollar-for-dollar basis for local park and recreation purposes.
31 These funds shall be allocated by the North Carolina Parks and
32 Recreation Authority based on criteria patterned after the Open Project
33 Selection Process established for the Land and Water Conservation
34 Fund administered by the National Park Service of the United States
35 Department of the Interior.

36 (3) Five percent (5%) for the Coastal and Estuarine Water Beach Access
37 Program.

38 Of the funds appropriated to the North Carolina Parks and Recreation Authority from
39 the Trust Fund each year, no more than three percent (3%) may be used by the
40 Department for operating expenses associated with managing capital improvements
41 projects, acquiring land, and administration of local grants programs."

42 Sec. 21. G.S. 132-1.1(b) reads as rewritten:

1 "(b) State and Local Tax Information. – Tax information may not be disclosed
2 except as provided in G.S. ~~105-259, 153A-148.1, and 160A-208.1.~~ 105-259. As used in this
3 subsection, 'tax information' has the same meaning as in G.S. 105-259. Local tax records
4 that contain information about a taxpayer's income or receipts may not be disclosed
5 except as provided in G.S. 153A-148.1 and G.S. 160A-208.1."

6 Sec. 22. (a) The text of G.S. 160B-3 is designated as subsection (a) and G.S.
7 160B-4(c) is recodified as G.S. 160B-3(b).

8 (b) G.S. 160B-3, as amended by this section, reads as rewritten:

9 **"§ 160B-3. Authority; ~~purpose of district.~~ purpose; administration.**

10 (a) The governing board may define any number of urban service districts in order
11 to finance, provide or maintain for the districts services, facilities and functions in
12 addition to or to a greater extent than those financed, ~~provided~~ provided, or maintained for
13 the entire consolidated city-county.

14 (b) The powers, duties, functions, rights, privileges, and immunities of an urban
15 service district shall be exercised or administered by the governing board of the
16 consolidated city-county. Any revenues, ~~distributions~~ distributions, or other funds due an
17 urban service district shall be paid to the governing board of the consolidated city-
18 county."

19 Sec. 23. (a) Section 4 of Chapter 991 of the 1983 Session Laws reads as
20 rewritten:

21 "Sec. 4. District Established; Tax Levy. If a majority of the qualified voters voting in
22 an election called under Section 1 of this act vote in favor of creating the Duck Area
23 Beautification District and authorizing the levy and collection of an ad valorem tax in the
24 district, the Dare County Board of Commissioners shall, upon receipt of a certified copy
25 of the election results, adopt a resolution creating the Duck Area Beautification District
26 and shall file a copy of the resolution with the clerk of superior court of Dare County.
27 Upon establishing the Duck Area Beautification District, the Dare County Board of
28 Commissioners may annually levy on behalf of the district an ad valorem tax on all
29 taxable property in the district in an amount the board considers necessary to provide for
30 the installation of underground power lines, not to exceed ten cents (10¢) for each one
31 hundred dollars (\$100.00) taxable valuation of property. The proceeds of this tax shall be
32 used only to provide for the underground installation of power lines in the district."

33 (b) Section 4 of Chapter 363 of the 1989 Session Laws reads as rewritten:

34 "Sec. 4. District Established; Tax Levy. If a majority of the qualified voters voting
35 on an election called under Section 1 of this act vote in favor of creating the Outer Banks
36 Beautification District and authorizing the levy and collection of an ad valorem tax in the
37 district, the Dare County Board of Commissioners shall, upon receipt of a certified copy
38 of the election results, adopt a resolution creating the Outer Banks Beautification District
39 and shall file a copy of the resolution with the clerk of superior court of Dare County.
40 Upon establishing the Outer Banks Beautification District, the Dare County Board of
41 Commissioners may annually levy on behalf of the district an ad valorem tax on all
42 taxable property in the district in an amount the board considers necessary to provide for
43 the installation of underground utility lines and facilities, not to exceed five cents (5¢) for

1 each one hundred dollars (\$100.00) taxable valuation of property. The proceeds of this
2 tax shall be used only to provide for the underground installation of utility lines and
3 facilities in the district."

4 (c) Sections 1 through 5 of Chapter 400 of the 1989 Session Laws are repealed.

5 (d) Section 4 of Chapter 703 of the 1989 Session Laws reads as rewritten:

6 "Sec. 4. District Established; Tax Levy. If a majority of the qualified voters voting in
7 an election called under Section 1 of this act vote in favor of creating the Coinjock Canals
8 Area Beautification District and authorizing the levy and collection of an ad valorem tax
9 in the district, the Currituck County Board of Commissioners shall, upon receipt of a
10 certified copy of the election results, adopt a resolution creating the Coinjock Canals
11 Area Beautification District and shall file a copy of the resolution with the clerk of
12 superior court of Currituck County. Upon establishing the Coinjock Canals Area
13 Beautification District, the Currituck County Board of Commissioners may annually levy
14 on behalf of the district an ad valorem tax on all taxable property in the district in an
15 amount the board considers necessary to provide for the installation of underground
16 utility lines, not to exceed ten cents (10¢) for each one hundred dollars (\$100.00) taxable
17 valuation of property. The proceeds of this tax shall be used only to provide for the
18 underground installation of utility lines in the district."

19 (e) Section 4 of Chapter 685 of the 1991 Session Laws reads as rewritten:

20 "Sec. 4. District Established; Tax Levy. If a majority of the qualified voters voting in
21 an election called under Section 1 of this act vote in favor of creating the Poplar Tent
22 Beautification District and authorizing the levy and collection of an ad valorem tax in the
23 district, the Cabarrus County Board of Commissioners shall, upon receipt of a certified
24 copy of the election results, adopt a resolution creating the Poplar Tent Beautification
25 District and shall file a copy of the resolution with the clerk of the superior court of
26 Cabarrus County. Upon establishing the Poplar Tent Beautification District, the Cabarrus
27 County Board of Commissioners may annually levy on behalf of the district an ad
28 valorem tax on all taxable property in the district in an amount the board considers
29 necessary to develop and implement the beautification plan and projects described in
30 Section 1 of this act, that amount not to exceed five cents (5¢) for each one hundred
31 dollars (\$100.00) taxable valuation of property. The proceeds of this tax shall be used
32 only to develop and implement the beautification plan and projects described in Section 1
33 of this act."

34 Sec. 24. Except as otherwise provided in this act, this act is effective upon
35 ratification.