

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE BILL 540*
Finance Committee Substitute Adopted 6/28/07
Third Edition Engrossed 7/12/07
House Committee Substitute Favorable 7/28/07

Short Title: Revenue Laws & Motor Fuels Tax Tech. Changes. (Public)

Sponsors:

Referred to:

March 7, 2007

A BILL TO BE ENTITLED

AN ACT TO MAKE TECHNICAL, CLARIFYING, AND ADMINISTRATIVE
CHANGES TO THE REVENUE LAWS, MOTOR FUELS TAX LAWS, AND
RELATED STATUTES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 53B-4(2) reads as rewritten:

"(2) Authorization under G.S. ~~105-251, 105-251.1, 105-251~~ or
G.S. 105-258."

SECTION 2. G.S. 105-40(7a) reads as rewritten:

"(7a) All exhibitions, performances, and entertainments promoted and
managed by 'a nonprofit arts organization.' ~~organization~~ that is exempt
from income tax under G.S. ~~105-130.11(a)(3).~~ This exemption does
not apply to athletic events. A 'nonprofit arts organization' is an
organization that meets both of the following requirements:

a. It is exempt from income tax under G.S. 105-130.11(a)(3).

b. Its primary purpose is to offer choral and theatrical
performances."

SECTION 3.(a) G.S. 105-40(10) reads as rewritten:

"(10) Arts festivals held by a person that is exempt from income tax under
Article 4 of this Chapter and that meets the following conditions:

a. The person holds no more than two arts festivals during a
calendar year.

b. Each of the person's arts festivals last no more than seven
consecutive days.

c. The arts festivals are held outdoors on public property and
involve a variety of exhibitions, entertainments, and activities."

SECTION 3.(b) G.S. 105-40(11) reads as rewritten:

1 "(11) Community festivals held by a person who is exempt from income tax
2 under Article 4 of this Chapter and that meets all of the following
3 conditions:

- 4 a. The person holds no more than one community festival during a
5 calendar year.
6 b. The community festival lasts no more than seven consecutive
7 days.
8 c. The community festival involves a variety of exhibitions,
9 entertainments, and activities, the majority of which are held
10 outdoors and are open to the public."

11 **SECTION 4.** G.S. 105-113.82(a) reads as rewritten:

12 "(a) Amount, Method. – The Secretary shall distribute annually the following
13 percentages of the net amount of excise taxes collected on the sale of malt beverages
14 and wine during the preceding 12-month period ending March 31, ~~less the amount of~~
15 ~~the net proceeds credited to the Department of Commerce under G.S. 105-113.81A, 31~~
16 to the counties ~~and~~ or cities in which the retail sale of these beverages is authorized in
17 the entire county or city:

- 18 (1) Of the tax on malt beverages levied under G.S. 105-113.80(a),
19 twenty-three and three-fourths percent (23³/₄%);
20 (2) Of the tax on unfortified wine levied under G.S. 105-113.80(b),
21 sixty-two percent (62%); and
22 (3) Of the tax on fortified wine levied under G.S. 105-113.80(b),
23 twenty-two percent (22%).

24 For purposes of this subsection, 'net amount' means gross collections less refunds and
25 amounts credited to the Department of Commerce under G.S. 105-113.81A. If malt
26 beverages, unfortified wine, or fortified wine may be licensed to be sold at retail in both
27 a county and a city located in the county, both the county and city shall receive a portion
28 of the amount distributed, that portion to be determined on the basis of population. If
29 one of these beverages may be licensed to be sold at retail in a city located in a county
30 in which the sale of the beverage is otherwise prohibited, only the city shall receive a
31 portion of the amount distributed, that portion to be determined on the basis of
32 population. The amounts distributed under subdivisions (1), (2), and (3) shall be
33 computed separately."

34 **SECTION 5.** G.S. 105-129.16E(b) reads as rewritten:

35 "(b) Allocation. – If the taxpayer is an individual who is a nonresident or a
36 part-year resident, the taxpayer must reduce the amount of the credit by multiplying it
37 by the fraction calculated under G.S. 105-134.5(b) or (c), as appropriate. If the taxpayer
38 is not an individual and is required to apportion its multistate business income to this
39 State, the taxpayer must reduce the amount of the credit by multiplying it by the
40 apportionment fraction used to apportion its ~~business~~ apportionable income to this
41 State."

42 **SECTION 6.** G.S. 105-129.87(b) reads as rewritten:

43 "(b) Threshold. – The applicable threshold is the appropriate amount set out in the
44 following table based on the development tier designation of the county where the new

1 jobs are created during the taxable year. If the taxpayer creates new jobs at more than
 2 one eligible establishment in a county during the taxable year, the threshold applies to
 3 the aggregate number of new jobs created at all eligible establishments within the
 4 county during that year. If the taxpayer creates new jobs at eligible establishments in
 5 different counties during the taxable year, the threshold applies separately to the
 6 aggregate number of new jobs created at eligible establishments in each county. If the
 7 taxpayer creates new jobs in an urban progress zone or an agrarian growth zone, the
 8 applicable threshold is the one for a development tier one area. New jobs created in an
 9 urban progress zone or an agrarian growth zone are not aggregated with jobs created at
 10 any other eligible establishments regardless of county.

| Area Development Tier | Threshold |
|-----------------------|-----------|
| Tier One | 5 |
| Tier Two | 10 |
| Tier Three | 15" |

15 **SECTION 7.** G.S. 105-129.88(c) reads as rewritten:

16 "(c) Threshold. – The applicable threshold is the appropriate amount set out in the
 17 following table based on the development tier where the eligible business property is
 18 placed in service during the taxable year. If the taxpayer places business property in
 19 service in an urban progress zone or an agrarian growth zone, the applicable threshold is
 20 the one for a development tier one area. Business property placed in service in an urban
 21 progress zone or an agrarian growth zone is not aggregated with business property
 22 placed in service at any other eligible establishments regardless of county. If the
 23 taxpayer places eligible business property in service at more than one establishment in a
 24 county during the taxable year, the threshold applies to the aggregate amount of eligible
 25 business property placed in service during the taxable year at all establishments in the
 26 county. If the taxpayer places eligible business property in service at establishments in
 27 different counties, the threshold applies separately to the aggregate amount of eligible
 28 business property placed in service in each county. If the taxpayer places eligible
 29 ~~machinery and equipment~~ business property in service at an establishment over the
 30 course of a two-year period, the applicable threshold for the second taxable year is
 31 reduced by the eligible investment amount for the previous taxable year.

| Area Development Tier | Threshold |
|-----------------------|------------|
| Tier One | \$ -0- |
| Tier Two | 1,000,000 |
| Tier Three | 2,000,000" |

36 **SECTION 8.** G.S. 105-129.88(e) reads as rewritten:

37 "(e) Transferred Property. – If, in one of the four years in which the installment of
 38 a credit accrues, the business property with respect to which the credit was claimed is
 39 moved to a county in a higher-numbered development tier or ~~to~~ out of an urban progress
 40 zone or an agrarian growth zone, the remaining installments of the credit are allowed
 41 only to the extent they would have been allowed if the business property had been
 42 placed in service initially in the area to which it was moved. If, in one of the four years
 43 in which the installment of a credit accrues, the business property with respect to which
 44 a credit was claimed is moved to a county in a lower-numbered development tier or an

1 urban progress zone or an agrarian growth zone, the remaining installments of the credit
2 shall be calculated as if the business property had been placed in service initially in the
3 area to which it was moved."

4 **SECTION 9.(a)** G.S. 105-130.48(e) reads as rewritten:

5 "(e) Documentation of Credit. – ~~To~~Upon request, to support the credit allowed by
6 this section, the taxpayer must file with its income tax return, for the taxable year in
7 which the credit is claimed, a certification by the Department of Environment and
8 Natural Resources stating the number of bushels of oyster shells donated by the
9 taxpayer."

10 **SECTION 9.(b)** G.S. 105-151.30(d) reads as rewritten:

11 "(d) Documentation of Credit. – ~~To~~Upon request, to support the credit allowed by
12 this section, the taxpayer must file with its income tax return, for the taxable year in
13 which the credit is claimed, a certification by the Department of Environment and
14 Natural Resources stating the number of bushels of oyster shells donated by the
15 taxpayer."

16 **SECTION 10.** G.S. 105-164.13(52) reads as rewritten:

17 "(52) Items subject to sales and use tax under G.S. 105-164.4, other than
18 ~~electricity and~~electricity, telecommunications service, and ancillary
19 service as defined in G.S. 105-164.4, if all of the following conditions
20 are met:

21 ~~(a)~~a. The items are purchased by a State agency for its own use and
22 in accordance with G.S. 105-164.29A.

23 ~~(b)~~b. The items are purchased pursuant to a valid purchase order
24 issued by the State agency that contains the exemption number
25 of the agency and a description of the property purchased, or
26 the items purchased are paid for with a State-issued check,
27 electronic deposit, credit card, procurement card, or credit
28 account of the State agency.

29 ~~(c)~~c. For all purchases other than by an agency-issued purchase
30 order, the agency must provide to or have on file with the
31 retailer the agency's exemption number."

32 **SECTION 11.** G.S. 105-164.16(b1) reads as rewritten:

33 "(b1) Monthly. – A taxpayer who is consistently liable for ~~more than~~at least one
34 hundred dollars (\$100.00) but less than ten thousand dollars (\$10,000) a month in State
35 and local sales and use taxes must file a return and pay the taxes due on a monthly basis.
36 A monthly return is due by the 20th day of the month following the calendar month
37 covered by the return."

38 **SECTION 12.** G.S. 105-164.16(d) reads as rewritten:

39 "(d) Use Tax on Out-of-State Purchases. – Use tax payable by an individual who
40 purchases tangible personal ~~property~~property, excluding purchases of boats and aircraft,
41 outside the State for a nonbusiness purpose is due on an annual basis. For an individual
42 who is not required to file an individual income tax return under Part 2 of Article 4 of
43 this Chapter, the annual reporting period ends on the last day of the calendar year and a
44 use tax return is due by the following April 15. For an individual who is required to file

1 an individual income tax return, the annual reporting period ends on the last day of the
2 individual's income tax year, and the use tax must be paid on the income tax return as
3 provided in G.S. 105-269.14."

4 **SECTION 13.(a)** G.S. 105-187.51B reads as rewritten:

5 "**§ 105-187.51B. Tax imposed on certain recyclers and research and development**
6 **companies.**

7 (a) Tax. – A privilege tax is imposed on the following:

8 (1) A major recycling facility that purchases any of the following tangible
9 personal property for use in connection with the facility:

- 10 a. Cranes, structural steel crane support systems, and foundations
11 related to the cranes and support systems.
12 b. Port and dock facilities.
13 c. Rail equipment.
14 d. Material handling equipment.

15 (2) A research and development company in the physical, engineering,
16 and life sciences that is included in industry 54171 of NAICS and that
17 purchases equipment or an attachment or repair part for equipment that
18 meets all of the following requirements:

- 19 a. Is capitalized by the company for tax purposes under the Code.
20 b. Is used by the company in the research and development of
21 tangible personal property.
22 c. Would be considered mill machinery or mill machinery parts or
23 accessories under G.S. 105-187.51 if it were purchased by a
24 manufacturing industry or plant and used in the research and
25 development of tangible personal property manufactured by the
26 industry or plant.

27 (b) Rate. – The tax is one percent (1%) of the sales price of the equipment or
28 other tangible personal property. The maximum tax is eighty dollars (\$80.00) per
29 article."

30 **SECTION 13.(b)** This section becomes effective July 1, 2007.

31 **SECTION 14.** G.S. 105-187.52 reads as rewritten:

32 "**§ 105-187.52. Administration.**

33 (a) Administration. – The privilege taxes imposed by this Article are in addition
34 to the State use tax. Except as otherwise provided in this Article, the collection and
35 administration of these taxes is the same as the State use tax imposed by Article 5 of
36 this Chapter.

37 (b) Credit. – A credit is allowed against the tax imposed by this Article for the
38 amount of a sales or use tax, privilege or excise tax, or substantially equivalent tax paid
39 to another state. The credit allowed by this subsection does not apply to tax paid to
40 another state that does not grant a similar credit for the privilege tax paid in North
41 Carolina.

42 (c) Exemption. – State agencies are exempted from the privilege taxes imposed
43 by this Article."

44 **SECTION 15.** G.S. 105-258(a) reads as rewritten:

1 "(a) Secretary May Examine Data and Summon Persons. The Secretary of
2 Revenue, for the purpose of ascertaining the correctness of any return, making a return
3 where none has been made, or determining the liability of any person for ~~any tax~~
4 ~~imposed by this Subchapter, a tax,~~ or collecting any such tax, shall have the power to
5 examine, personally, or by an agent designated by him, any books, papers, records, or
6 other data which may be relevant or material to such inquiry, and the Secretary may
7 summon the person liable for the tax or required to perform the act, or any officer or
8 employee of such person, or any person having possession, custody, care or control of
9 books of account containing entries relevant or material to the income and expenditures
10 of the person liable for the tax or required to perform the act, or any other person having
11 knowledge in the premises, to appear before the Secretary, or his agent, at a time and
12 place named in the summons, and to produce such books, papers, records or other data,
13 and to give such testimony under oath as may be relevant or material to such inquiry,
14 and the Secretary or his agent may administer oaths to such person or persons. If any
15 person so summoned refuses to obey such summons or to give testimony when
16 summoned, the Secretary may apply to the Superior Court of Wake County for an order
17 requiring such person or persons to comply with the summons of the Secretary, and the
18 failure to comply with such court order shall be punished as for contempt."

19 **SECTION 16.(a)** G.S. 105-449.52 reads as rewritten:

20 "**§ 105-449.52. Civil penalties applicable to motor carriers.**

21 (a) Penalty. – A motor carrier who does any of the following is subject to a civil
22 penalty:

- 23 (1) Operates in this State or causes to be operated in this State a motor
24 vehicle that either fails to carry the registration card required by this
25 Article or fails to display an identification marker in accordance with
26 this Article. The amount of the penalty is one hundred dollars
27 (\$100.00).
- 28 (2) Is unable to account for identification markers the Secretary issues the
29 motor carrier, as required by G.S. 105-449.47. The amount of the
30 penalty is one hundred dollars (\$100.00) for each identification marker
31 the carrier is unable to account for.
- 32 (3) Displays an identification marker on a motor vehicle operated by a
33 motor carrier that was not issued to the carrier by the Secretary under
34 G.S. 105-449.47. The amount of the penalty is one thousand dollars
35 (\$1,000) for each identification marker unlawfully obtained. Both the
36 licensed motor carrier to whom the Secretary issued the identification
37 marker and the motor carrier displaying the unlawfully obtained
38 identification marker are jointly and severally liable for the penalty
39 under this subdivision.

40 A

41 (a1) Payment. – A penalty imposed under this section is payable to the
42 ~~Department of Revenue, the Department of Crime Control and Public Safety, or the~~
43 ~~Division of Motor Vehicles.~~ agency that assessed the penalty. When a motor vehicle is
44 found to be operating without a registration card or an identification marker or with an

1 identification marker the Secretary did not issue for the vehicle, the motor vehicle may
2 not be driven for a purpose other than to park the motor vehicle until the penalty
3 imposed under this section is paid unless the officer that imposes the penalty determines
4 that operation of the motor vehicle will not jeopardize collection of the penalty.

5 (b) Hearing. – The procedure set out in G.S. 105-449.119 for protesting a penalty
6 imposed under Article 36C, Part 6, of this Chapter applies to a penalty imposed under
7 this section."

8 **SECTION 16.(b)** G.S. 105-449.115(f) reads as rewritten:

9 "(f) Sanctions Against Transporter. – The following acts are grounds for a civil
10 ~~penalty payable to the Department of Crime Control and Public Safety or the~~
11 ~~Department of Revenue:penalty:~~

12 (1) Transporting motor fuel in a railroad tank car or transport truck
13 without a shipping document or with a false or an incomplete shipping
14 document.

15 (2) Delivering motor fuel to a destination state other than that shown on
16 the shipping document.

17 The penalty ~~imposed under this subsection~~ is payable to the agency that assessed the
18 penalty and is payable by the person in whose name the conveyance is registered, if the
19 conveyance is a transport truck, and is payable by the person responsible for the
20 movement of motor fuel in the conveyance, if the conveyance is a railroad tank car. The
21 amount of the penalty is five thousand dollars (\$5,000). A penalty imposed under this
22 subsection is in addition to any motor fuel tax assessed."

23 **SECTION 16.(c)** G.S. 105-449.115A(c) reads as rewritten:

24 "(c) Sanctions. – Transporting motor fuel in a tank wagon without an invoice, bill
25 of sale, or shipping document containing the information required by this section is
26 grounds for a civil ~~penalty payable to the Department of Crime Control and Public~~
27 ~~Safety or the Department of Revenue:penalty.~~ The penalty ~~imposed under this~~
28 ~~subsection~~ is payable to the agency that assessed the penalty and is payable by the
29 person in whose name the tank wagon is registered. The amount of the penalty is one
30 thousand dollars (\$1,000). A penalty imposed under this subsection is in addition to any
31 motor fuel tax assessed."

32 **SECTION 16.(d)** G.S. 105-449.117(b) reads as rewritten:

33 "(b) Civil Penalty. – The civil penalty is payable to the ~~Department of~~
34 ~~Transportation, Division of Motor Vehicles, or the Department of Revenue~~ agency that
35 assessed the penalty and is payable by the person in whose name the highway vehicle is
36 registered. The amount of the penalty depends on the amount of fuel in the supply tank
37 of the highway vehicle. The penalty is the greater of one thousand dollars (\$1,000) or
38 five times the amount of motor fuel tax payable on the fuel in the supply tank. A penalty
39 imposed under this section is in addition to any motor fuel tax assessed."

40 **SECTION 16.(e)** G.S. 105-449.118 reads as rewritten:

41 **"§ 105-449.118. Civil penalty for buying or selling non-tax-paid motor fuel.**

42 A person who dispenses non-tax-paid motor fuel into the supply tank of a highway
43 vehicle or who allows non-tax-paid motor fuel to be dispensed into the supply tank of a

1 highway vehicle is subject to a civil penalty of two hundred fifty dollars (\$250.00) per
2 occurrence.

3 The penalty is payable to the ~~Department of Transportation, Division of Motor~~
4 ~~Vehicles, or the Department of Revenue.~~ agency that assessed the penalty. Failure to
5 pay a penalty imposed under this section is grounds under G.S. 20-88.01(b) to withhold
6 or revoke the registration plate of the motor vehicle into which the motor fuel was
7 dispensed."

8 **SECTION 16.(f)** G.S. 105-449.118A reads as rewritten:

9 "**§ 105-449.118A. Civil penalty for refusing to allow the taking of a motor fuel**
10 **sample.**

11 A person who refuses to allow the taking of a motor fuel sample is subject to a civil
12 penalty of one thousand dollars (\$1,000). The penalty is payable to the ~~Department of~~
13 ~~Transportation, Division of Motor Vehicles, or the Department of Revenue.~~ agency that
14 assessed the penalty. If the refusal is for a sample to be taken from a vehicle, the penalty
15 is payable by the person in whose name the vehicle is registered. If the refusal is for a
16 sample to be taken from any other storage tank or container, the penalty is payable by
17 the owner of the container."

18 **SECTION 17.(a)** G.S. 105-449.72(a) reads as rewritten:

19 "(a) Initial Bond. – An applicant for a license as a refiner, a terminal operator, a
20 supplier, an importer, a blender, a permissive supplier, or a distributor must file with the
21 Secretary a bond or an irrevocable letter of credit. A bond or an irrevocable letter of
22 credit must be conditioned upon compliance with the requirements of this Article, be
23 payable to the State, and be in the form required by the Secretary. The amount of the
24 bond or irrevocable letter of credit is determined as follows:

25 (1) For an applicant for a license as any of the following, the amount is
26 two million dollars (\$2,000,000):

- 27 a. A refiner.
28 b. A terminal operator.
29 c. A supplier that is a position holder or a person that receives
30 motor fuel pursuant to a two-party exchange.
31 d. A bonded importer.
32 e. A permissive supplier.

33 (2) For an applicant for a license as any of the following, the amount is
34 two times the applicant's average expected monthly tax liability under
35 this Article, as determined by the Secretary. The amount may not be
36 less than two thousand dollars (\$2,000) and may not be more than five
37 hundred thousand dollars (\$500,000):

- 38 a. ~~A supplier that is a fuel alcohol provider or a biodiesel provider~~
39 ~~but is neither a position holder nor a person that receives motor~~
40 ~~fuel pursuant to a two-party exchange.~~
41 b. An occasional importer.
42 c. A tank wagon importer.
43 d. A distributor.

1 e. Repealed by Session Laws 1997-60, s. 5, effective October 5,
2 1997.

3 (3) For an applicant for a license ~~as a blender~~, as any of the following, a
4 bond is required only if the applicant's average expected annual tax
5 liability under this Article, as determined by the Secretary, is at least
6 two thousand dollars (\$2,000). When a bond is required, the bond
7 amount is the same as under subdivision (2) of this subsection.

8 a. A blender.

9 b. A supplier that is a fuel alcohol provider or a biodiesel provider
10 but is neither a position holder nor a person that receives motor
11 fuel pursuant to a two-party exchange."

12 **SECTION 17.(b)** This section becomes effective October 1, 2007.

13 **SECTION 18.(a)** G.S. 105-449.115(g) reads as rewritten:

14 "(g) Penalty Defense. – Compliance with the conditions set out in this subsection
15 is a defense to a civil penalty imposed under subsection (f) of this section as a result of
16 the delivery of fuel to a state other than the destination state printed on the shipping
17 document for the fuel. The Secretary must waive a penalty imposed against a person
18 under that subsection if the person establishes a defense under this subsection. The
19 conditions for the defense are:

20 (1) The person notified the Secretary of the diversion ~~within seven days~~
21 ~~after the diversion occurred~~ and received a confirmation number for
22 the ~~diversion~~ diversion before the imposition of the penalty.

23 (2) Tax was timely paid on the diverted ~~fuel~~ fuel, unless the person is a
24 motor fuel transporter."

25 **SECTION 18.(b)** This section is effective when it becomes law and applies
26 to penalties assessed on or after that date and to refund requests that have not been
27 finally determined as of that date.

28 **SECTION 19.** G.S. 115D-31.3(j) reads as rewritten:

29 "(j) Use of funds in low-wealth counties. – Funds retained by colleges or
30 distributed to colleges pursuant to this section may be used to supplement local funding
31 for maintenance of plant if the college does not receive maintenance of plant funds
32 pursuant to G.S. 115D-31.2, and if the county in which the main campus of the
33 community college is ~~located~~ located meets all of the following:

34 (1) Is designated as a Tier 1 or Tier 2 county in accordance
35 with ~~G.S. 105-129.3~~; G.S. 143B-437.08.

36 (2) Had an unemployment rate of at least two percent (2%) above the
37 State average or greater than seven percent (7%), whichever is higher,
38 in the prior calendar ~~year~~; and year.

39 (3) Is a county whose wealth, as calculated under the formula for
40 distributing supplemental funding for schools in low-wealth counties,
41 is eighty percent (80%) or less of the State average.

42 Funds may be used for this purpose only after all local funds appropriated for
43 maintenance of plant have been expended."

44 **SECTION 20.** G.S. 119-17 is repealed.

1 **SECTION 21.(b)** Section 39 of Part IX of Chapter 908 of the 1983 Session
2 Laws reads as rewritten:

3 "**Sec. 39.** Every owner of a business subject to the tax levied by this Part shall, on
4 and after the first day of the calendar month set by the governing body in the resolution
5 levying the tax, collect the occupancy tax provided by this Part. This tax shall be
6 collected as part of the charge for the furnishing of any taxable accommodations. The
7 tax shall be stated and charged separately from the sales records, and shall be paid by
8 the purchaser to the owner of the business as trustee for and on account of the city. The
9 occupancy tax levied under this Part shall be added to the sales price and shall be passed
10 on to the purchaser instead of being borne by the owner of the business. The city tax
11 collector shall design, print, and furnish to all appropriate businesses in the city the
12 necessary forms for filing returns and instructions to ensure the full collection of the tax.
13 Every person liable for the tax imposed pursuant to this Part shall, on or before the ~~15th~~
14 20th day of each month, prepare and submit a return on the prescribed form stating the
15 total gross receipts derived during the preceding month from rentals upon which the tax
16 is levied. The tax shall be due and payable to the tax collector on a monthly basis.

17 Any person who fails or refuses to file the return required by this Part shall pay a
18 penalty of ten dollars (\$10.00) for each day's omission. In addition, any person who
19 refuses to file the return or pay the tax for a period of 30 days after the time required for
20 filing the return or for paying the tax shall pay a penalty of five percent (5%) of the tax
21 due. An additional penalty of five percent (5%) shall be imposed for each additional
22 month or fraction thereof in which the occupancy tax is not paid.

23 Any person who willfully attempts in any manner to evade the occupancy tax or who
24 willfully fails to pay the tax or make and file the required return, shall, in addition to all
25 other penalties provided by law, be guilty of a misdemeanor and be punishable by a fine
26 not to exceed one thousand dollars (\$1,000), imprisonment not to exceed six months, or
27 both."

28 **SECTION 21.(c)** Subsection (a) of Section 26 of Part VII of Chapter 908 of
29 the 1983 Session Laws reads as rewritten:

30 "(a) Any tax levied under this Part is due and payable to the county in monthly
31 installments on or before the ~~15th~~20th day of the month following the month in which
32 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
33 on or before the ~~15th~~20th day of each month, prepare and render a return on a form
34 prescribed by the county. The return shall state the total gross receipts derived in the
35 preceding month from rentals upon which the tax is levied."

36 **SECTION 21.(d)** Subsection (a) of Section 4 of Chapter 988 of the 1983
37 Session Laws reads as rewritten:

38 "(a) Any tax levied under this act is due and payable to the county in monthly
39 installments on or before the ~~15th~~20th day of the month following the month in which
40 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
41 on or before the ~~15th~~20th day of each month, prepare and render a return on a form
42 prescribed by the county. The return shall state the total gross receipts derived in the
43 preceding month from rentals upon which the tax is levied."

1 **SECTION 21.(e)** Subsection (a) of Section 3 of Chapter 1055 of the 1983
2 Session Laws reads as rewritten:

3 "(a) Any tax levied under this act is due and payable to the county in monthly
4 installments on or before the ~~15th~~20th day of the month following the month in which
5 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
6 on or before the ~~15th~~20th day of each month, prepare and render a return on a form
7 prescribed by the county. The return shall state the total gross receipts derived in the
8 preceding month from rentals upon which the tax is levied."

9 **SECTION 21.(f)** Section 10 of Part IV of Chapter 570 of the 1985 Session
10 Laws reads as rewritten:

11 "**Sec. 10.** Every owner of a business subject to the tax levied by this Part shall, on
12 and after the first day of the calendar month set by the governing body in the resolution
13 levying the tax, collect the occupancy tax provided by this Part. This tax shall be
14 collected as part of the charge for the furnishing of any taxable accommodations. The
15 tax shall be stated and charged separately from the sales records, and shall be paid by
16 the purchaser to the owner of the business as trustee for and on account of the city. The
17 occupancy tax levied under this Part shall be added to the sales price and shall be passed
18 on to the purchaser instead of being borne by the owner of the business. The city tax
19 collector shall design, print, and furnish to all appropriate businesses in the city the
20 necessary forms for filing returns and instructions to ensure the full collection of the tax.
21 Every person liable for the tax imposed pursuant to this Part shall, on or before the ~~15th~~
22 20th day of each month, prepare and submit a return on the prescribed form stating the
23 total gross receipts derived during the preceding month from rentals upon which the tax
24 is levied. The tax shall be due and payable to the tax collector on a monthly basis.

25 Any person who fails or refuses to file the return required by this Part shall pay a
26 penalty of ten dollars (\$10.00) for each day's omission. In addition, any person who
27 refuses to file the return or pay the tax for a period of 30 days after the time required for
28 filing the return or for paying the tax shall pay a penalty of five percent (5%) of the tax
29 due. An additional penalty of five percent (5%) shall be imposed for each additional
30 month or fraction thereof in which the occupancy tax is not paid.

31 Any person who willfully attempts in any manner to evade the occupancy tax or who
32 willfully fails to pay the tax or make and file the required return, shall, in addition to all
33 other penalties provided by law, be guilty of a misdemeanor and be punishable by a fine
34 not to exceed one thousand dollars (\$1,000), imprisonment not to exceed six months, or
35 both."

36 **SECTION 21.(g)** Subsection (a) of Section 4 of Chapter 857 of the 1985
37 Session Laws reads as rewritten:

38 "(a) Any tax levied under this act is due and payable to the county in monthly
39 installments on or before the ~~15th~~20th day of the month following the month in which
40 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
41 on or before the ~~15th~~20th day of each month, prepare and render a return on a form
42 prescribed by Onslow County. The return shall state the total gross receipts derived in
43 the preceding month from rentals upon which the tax is levied."

1 **SECTION 21.(j)** Subsection (a) of Section 4 of Chapter 929 of the 1985
2 Session Laws as amended by S.L.1985-929 reads as rewritten:

3 "(a) Any tax levied under this act is due and payable to the levying jurisdiction in
4 monthly installments on or before the ~~25th-20th~~ day of the month following the month
5 in which the tax accrues. Every person, firm, corporation, or association liable for the
6 tax shall, on or before the ~~25th-20th~~ day of each month, prepare and render a return on a
7 form prescribed by the taxing city. The return shall state the total gross receipts derived
8 in the preceding month from rentals upon which the tax is levied. A return filed under
9 this section is not a public record as defined by G.S. 132-1 and may not be disclosed
10 except as required by law."

11 **SECTION 21.(k)** Subsection (c) of Section 1 of Chapter 969 of the 1985
12 Session Laws reads as rewritten:

13 "(c) Administration. The county shall administer a tax levied under this act. A tax
14 levied under this act is due and payable to the county finance officer in monthly
15 installments on or before the ~~15th-20th~~ day of the month following the month in which
16 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
17 on or before the ~~15th-20th~~ day of each month, prepare and render a return on a form
18 prescribed by the county. The return shall state the total gross receipts derived in the
19 preceding month from rentals upon which the tax is levied.

20 A return filed with the county finance officer under this act is not a public record as
21 defined by G.S. 132-1 and may not be disclosed except as required by law."

22 **SECTION 21.(l)** Subsection (c) of Section 1 of Chapter 140 of the 1987
23 Session Laws reads as rewritten:

24 "(c) Administration. The county shall administer the tax levied under this act. The
25 tax shall be due and payable to the county in monthly installments on or before the ~~15th~~
26 20th day of the month following the month in which the tax is collected. Every person,
27 firm, corporation, or association liable for the tax shall, on or before the ~~15th-20th~~ day
28 of each month, prepare and submit a return on a form prescribed by the county. The
29 return shall state the total gross receipts derived in the preceding month from rentals
30 subject to the tax. A return filed with the county finance officer under this act is not a
31 public record as defined by G.S. 132-1 and may not be disclosed except as required by
32 law."

33 **SECTION 21.(m)** Subsection (c) of Section 1 of Chapter 141 of the 1987
34 Session Laws reads as rewritten:

35 "(c) Administration. The county shall administer a tax levied under this section. A
36 tax levied under this section is due and payable to the county finance officer in monthly
37 installments on or before the ~~15th-20th~~ day of the month following the month in which
38 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
39 on or before the ~~15th-20th~~ day of each month, prepare and render a return on a form
40 prescribed by the county. The return shall state the total gross receipts derived in the
41 preceding month from rentals upon which the tax is levied.

42 A return filed with the county finance officer under this section is not a public record
43 as defined by G.S. 132-1 and may not be disclosed except as required by law."

1 **SECTION 21.(n)** Subsection (c) of Section 1 of Chapter 143 of the 1987
2 Session Laws reads as rewritten:

3 "(c) Administration. The county shall administer a tax levied under this section. A
4 tax levied under this section is due and payable to the county finance officer in monthly
5 installments on or before the ~~15th-20th~~ day of the month following the month in which
6 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
7 on or before the ~~15th-20th~~ day of each month, prepare and render a return on a form
8 prescribed by the county. The return shall state the total gross receipts derived in the
9 preceding month from rentals upon which the tax is levied.

10 A return filed with the county finance officer under this section is not a public record
11 as defined by G.S. 132-1 and may not be disclosed except as required by law."

12 **SECTION 21.(o)** Subsection (c) of Section 1 of Chapter 170 of the 1987
13 Session Laws reads as rewritten:

14 "(c) Administration. The town shall administer a tax levied under this section. A
15 tax levied under this section is due and payable to the town finance officer in monthly
16 installments on or before the ~~15th-20th~~ day of the month following the month in which
17 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
18 on or before the ~~15th-20th~~ day of each month, prepare and render a return on a form
19 prescribed by the town. The return shall state the total gross receipts derived in the
20 preceding month from rentals upon which the tax is levied.

21 A return filed with the town finance officer under this section is not a public record
22 as defined by G.S. 132-1 and may not be disclosed except as required by law."

23 **SECTION 21.(p)** Subsection (c) of Section 5 of Chapter 172 of the 1987
24 Session Laws reads as rewritten:

25 "(c) Administration. The county shall administer a tax levied under this act. A tax
26 levied under this act is due and payable to the county finance officer in monthly
27 installments on or before the ~~15th-20th~~ day of the month following the month in which
28 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
29 on or before the ~~15th-20th~~ day of each month, prepare and render a return on a form
30 prescribed by the county. The return shall state the total gross receipts derived in the
31 preceding month from rentals upon which the tax is levied.

32 A return filed with the county finance officer under this act is not a public record as
33 defined by G.S. 132-1 and may not be disclosed except as required by law."

34 **SECTION 21.(q)** Subsection (a) of Section 3 of Chapter 188 of the 1987
35 Session Laws reads as rewritten:

36 "(a) Any tax levied under this act is due and payable to the county in monthly
37 installments on or before the ~~15th-20th~~ day of the month following the month in which
38 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
39 on or before the ~~15th-20th~~ day of each month, prepare and render a return on a form
40 prescribed by the county. The return shall state the total gross receipts derived in the
41 preceding month from rentals upon which the tax is levied."

42 **SECTION 21.(r)** Subsection (c) of Section 1 of Title I of Chapter 460 of the
43 1987 Session Laws reads as rewritten:

1 "(c) Administration. The Town shall administer a tax levied under this section. A
2 tax levied under this section is due and payable to the Town revenue collector in
3 monthly installments on or before the ~~15th-20th~~ day of the month following the month
4 in which the tax accrues. Every person, firm, corporation, or association liable for the
5 tax shall, on or before the ~~15th-20th~~ day of each month, prepare and render a return on a
6 form prescribed by the Town. The return shall state the total gross receipts derived in
7 the preceding month from rentals and sales upon which the tax is levied."

8 **SECTION 21.(s)** Subsection (c) of Section 1 of Chapter 472 of the 1987
9 Session Laws reads as rewritten:

10 "(c) Administration. The county shall administer a tax levied under this section. A
11 tax levied under this section is due and payable to the county finance officer in monthly
12 installments on or before the ~~15th-20th~~ day of the month following the month in which
13 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
14 on or before the ~~15th-20th~~ day of each month, prepare and render a return on a form
15 prescribed by the county. The return shall state the total gross receipts derived in the
16 preceding month from rentals upon which the tax is levied.

17 A return filed with the county finance officer under this section is not a public record
18 as defined by G.S. 132-1 and may not be disclosed except as required by law."

19 **SECTION 21.(t)** Subsection (c) of Section 1 of Chapter 484 of the 1987
20 Session Laws reads as rewritten:

21 "(c) Administration. The county shall administer a tax levied under this section. A
22 tax levied under this section is due and payable to the county finance officer in monthly
23 installments on or before the ~~15th-20th~~ day of the month following the month in which
24 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
25 on or before the ~~15th-20th~~ day of each month, prepare and render a return on a form
26 prescribed by the county. The return shall state the total gross receipts derived in the
27 preceding month from rentals upon which the tax is levied.

28 A return filed with the county finance officer under this section is not a public record
29 as defined by G.S. 132-1 and may not be disclosed except as required by law."

30 **SECTION 21.(u)** Subsection (c) of Section 1 of Chapter 538 of the 1987
31 Session Laws reads as rewritten:

32 "(c) Administration. The county shall administer a tax levied under this section. A
33 tax levied under this section is due and payable to the county finance officer in monthly
34 installments on or before the ~~15th-20th~~ day of the month following the month in which
35 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
36 on or before the ~~15th-20th~~ day of each month, prepare and render a return on a form
37 prescribed by the county. The return shall state the total gross receipts derived in the
38 preceding month from rentals upon which the tax is levied.

39 A return filed with the county finance officer under this section is not a public record
40 as defined by G.S. 132-1 and may not be disclosed except as required by law."

41 **SECTION 21.(v)** Subsection (c) of Section 1 of Chapter 561 of the 1987
42 Session Laws reads as rewritten:

43 "(c) Administration. The county shall administer a tax levied under this section. A
44 tax levied under this section is due and payable to the county finance officer in monthly

1 installments on or before the ~~15th-20th~~ day of the month following the month in which
2 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
3 on or before the ~~15th-20th~~ day of each month, prepare and render a return on a form
4 prescribed by the county. The return shall state the total gross receipts derived in the
5 preceding month from rentals upon which the tax is levied.

6 A return filed with the county finance officer under this section is not a public record
7 as defined by G.S. 132-1 and may not be disclosed except as required by law."

8 **SECTION 21.(w)** Subsection (c) of Section 1 of Chapter 618 of the 1987
9 Session Laws reads as rewritten:

10 "(c) Administration. The county shall administer a tax levied under this section. A
11 tax levied under this section is due and payable to the county finance officer in monthly
12 installments on or before the ~~15th-20th~~ day of the month following the month in which
13 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
14 on or before the ~~15th-20th~~ day of each month, prepare and render a return on a form
15 prescribed by the county. The return shall state the total gross receipts derived in the
16 preceding month from rentals upon which the tax is levied.

17 A return filed with the county finance officer under this section is not a public record
18 as defined by G.S. 132-1 and may not be disclosed except as required by law."

19 **SECTION 21.(x)** Subsection (a) of Section 4 of Chapter 647 of the 1987
20 Session Laws reads as rewritten:

21 "(a) Administration. The county shall administer a tax levied under this section. A
22 tax levied under this section is due and payable to the county finance officer in monthly
23 installments on or before the ~~15th-20th~~ day of the month following the month in which
24 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
25 on or before the ~~15th-20th~~ day of each month, prepare and render a return on a form
26 prescribed by the county. The return shall state the total gross receipts derived in the
27 preceding month from rentals upon which the tax is levied."

28 **SECTION 21.(y)** Subsection (c) of Section 1 of Chapter 950 of the 1987
29 Session Laws reads as rewritten:

30 "(c) Administration. The county shall administer a tax levied under this section. A
31 tax levied under this section is due and payable to the county finance officer in monthly
32 installments on or before the ~~15th-20th~~ day of the month following the month in which
33 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
34 on or before the ~~15th-20th~~ day of each month, prepare and render a return on a form
35 prescribed by the county. The return shall state the total gross receipts derived in the
36 preceding month from rentals upon which the tax is levied.

37 A return filed with the county finance officer under this section is not a public record
38 as defined by G.S. 132-1 and may not be disclosed except as required by law."

39 **SECTION 21.(z)** Subsection (c) of Section 1 of Chapter 979 of the 1987
40 Session Laws reads as rewritten:

41 "(c) Administration. The county shall administer a tax levied under this section. A
42 tax levied under this section is due and payable to the county finance officer in monthly
43 installments on or before the ~~15th-20th~~ day of the month following the month in which
44 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,

1 on or before the ~~15th~~20th day of each month, prepare and render a return on a form
2 prescribed by the county. The return shall state the total gross receipts derived in the
3 preceding month from rentals upon which the tax is levied.

4 A return filed with the county finance officer under this section is not a public record
5 as defined by G.S. 132-1 and may not be disclosed except as required by law."

6 **SECTION 21.(aa)** Subsection (c) of Section 1 of Chapter 173 of the 1989
7 Session Laws reads as rewritten:

8 "(c) Administration. The county shall administer a tax levied under this section. A
9 tax levied under this section is due and payable to the county finance officer in monthly
10 installments on or before the ~~15th~~20th day of the month following the month in which
11 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
12 on or before the ~~15th~~20th day of each month, prepare and render a return on a form
13 prescribed by the county. The return shall state the total gross receipts derived in the
14 preceding month from rentals upon which the tax is levied.

15 A return filed with the county finance officer under this section is not a public record
16 as defined by G.S. 132-1 and may not be disclosed except as required by law."

17 **SECTION 21.(cc)** Subsection (e) of Section 8 of Chapter 821 of the 1989
18 Session Laws reads as rewritten:

19 "(e) Administration. Mecklenburg County and the City of Charlotte shall
20 determine by agreement which of them will administer and collect each of the taxes
21 levied pursuant to this Part. In the event an agreement cannot be reached, then any tax
22 levied pursuant to this Part shall be administered and collected by Mecklenburg County.
23 The local administrative authority may promulgate additional rules and regulations
24 necessary for the implementation of this Part.

25 The taxes levied pursuant to this Part are due and payable to the local administrative
26 authority as agent for the taxing entity in monthly installments on or before the ~~15th~~
27 20th day of the month following the month in which the tax accrues. Every taxable
28 establishment liable for the tax shall, on or before the ~~15th~~20th day of each month,
29 prepare and render a return to the local administrative authority. The local
30 administrative authority shall design, print, and furnish to all taxable establishments the
31 necessary forms for filing returns and instructions to ensure the full collection of the tax.

32 A return filed with the local administrative authority under this section is not a
33 public record as defined by G.S. 132-1 and may not be disclosed except as required by
34 law."

35 **SECTION 21.(dd)** Subsection (c) of Section 1 of Chapter 163 of the 1991
36 Session Laws reads as rewritten:

37 "(c) Administration. The county shall administer a tax levied under this section. A
38 tax levied under this section is due and payable to the county finance officer in monthly
39 installments on or before the ~~fifteenth~~20th day of the month following the month in
40 which the tax accrues. Every person, firm, corporation, or association liable for the tax
41 shall, on or before the ~~fifteenth~~20th day of each month, prepare and render a return on a
42 form prescribed by the county. The return shall state the total gross receipts derived in
43 the preceding month from rentals upon which the tax is levied.

1 A return filed with the county finance officer under this section is not a public record
2 as defined by G.S. 132-1 and may not be disclosed except as required by law."

3 **SECTION 21.(ee)** Subsection (c) of Section 1 of Chapter 230 of the 1991
4 Session Laws reads as rewritten:

5 "(c) Administration. The county shall administer a tax levied under this section. A
6 tax levied under this section is due and payable to the county finance officer in monthly
7 installments on or before the ~~fifteenth~~-20th day of the month following the month in
8 which the tax accrues. Every person, firm, corporation, or association liable for the tax
9 shall, on or before the ~~fifteenth~~-20th day of each month, prepare and render a return on a
10 form prescribed by the county. The return shall state the total gross receipts derived in
11 the preceding month from rentals upon which the tax is levied.

12 A return filed with the county finance officer under this section is not a public record
13 as defined by G.S. 132-1 and may not be disclosed except as required by law."

14 **SECTION 21.(ff)** Subsection (c) of Section 1 of Chapter 392 of the 1991
15 Session Laws reads as rewritten:

16 "(c) Administration. The county shall administer a tax levied under this section. A
17 tax levied under this section is due and payable to the county finance officer in monthly
18 installments on or before the ~~15th~~-20th day of the month following the month in which
19 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
20 on or before the ~~15th~~-20th day of each month, prepare and render a return on a form
21 prescribed by the county. The return shall state the total gross receipts derived in the
22 preceding month from rentals upon which the tax is levied."

23 **SECTION 21.(gg)** Subsection (c) of Section 5 of Chapter 577 of the 1991
24 Session Laws reads as rewritten:

25 "(c) Administration. The county shall administer a tax levied under this section. A
26 tax levied under this section is due and payable to the county finance officer in monthly
27 installments on or before the ~~15th~~-20th day of the month following the month in which
28 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
29 on or before the ~~15th~~-20th day of each month, prepare and render a return on a form
30 prescribed by the county. The return shall state the total gross receipts derived in the
31 preceding month from rentals upon which the tax is levied.

32 A return filed with the county finance officer under this section is not a public record
33 as defined by G.S. 132-1 and may not be disclosed except as required by law."

34 **SECTION 21.(hh)** Section 9 of Chapter 594 of the 1991 Session Laws, as
35 amended by Section 5 of Chapter 458 of the 1995 Session Laws, reads as rewritten:

36 "Sec. 9. Administration. – The county shall administer and collect the taxes levied
37 pursuant to this act. Wake County may contract with the City of Raleigh to perform
38 these functions.

39 The taxes levied pursuant to this act are due and payable to the county in monthly
40 installments on or before the ~~fifteenth~~-20th day of the month following the month in
41 which the tax accrues. Every taxable establishment liable for the tax shall, on or before
42 the ~~fifteenth~~-20th day of each month, prepare and render a return to the county. The
43 county shall design, print, and furnish on request to all taxable establishments the
44 necessary forms for filing returns and instructions to ensure the full collection of the tax.

1 Returns filed with the county pursuant to this act are not public records and may not
2 be disclosed except in accordance with G.S. 153A-148.1 or G.S. 160A-208.1."

3 **SECTION 21.(ii)** Subsection (c) of Section 1 of Chapter 453 of the 1993
4 Session Laws reads as rewritten:

5 "(c) Administration.

6 The city shall administer a tax levied under this section. A tax levied under this
7 section is due and payable to the city finance officer in monthly installments on or
8 before the ~~15th-20th~~ day of the month following the month in which the tax accrues.
9 Every person, firm, corporation, or association liable for the tax shall, on or before the
10 ~~15th-20th~~ day of each month, prepare and render a return on a form prescribed by the
11 city. The return shall state the total gross receipts derived in the preceding month from
12 rentals upon which the tax is levied.

13 A return filed with the city finance officer under this section is not a public record as
14 defined by G.S. 132-1 and may not be disclosed except as required by law."

15 **SECTION 21.(jj)** Subsection (c) of Section 1 of Chapter 549 of the 1993
16 Session Laws reads as rewritten:

17 "(c) Administration.

18 The county shall administer a tax levied under this section. A tax levied under this
19 section is due and payable to the county finance officer in monthly installments on or
20 before the ~~fifteenth-20th~~ day of the month following the month in which the tax accrues.
21 Every person, firm, corporation, or association liable for the tax shall, on or before the
22 ~~fifteenth-20th~~ day of each month, prepare and render a return on a form prescribed by
23 the county. The return shall state the total gross receipts derived in the preceding month
24 from rentals upon which the tax is levied.

25 A return filed with the county finance officer under this section is not a public record
26 as defined by G.S. 132-1 and may not be disclosed except as required by law."

27 **SECTION 21.(II)** Subsection (c) of Section 1 of Chapter 648 of the 1993
28 Session Laws reads as rewritten:

29 "(c) Administration. The city shall administer a tax levied under this section. A
30 tax levied under this section is due and payable to the city finance officer in monthly
31 installments on or before the ~~fifteenth-20th~~ day of the month following the month in
32 which the tax accrues. Every person, firm, corporation, or association liable for the tax
33 shall, on or before the ~~fifteenth-20th~~ day of each month, prepare and render a return on a
34 form prescribed by the city. The return shall state the total gross receipts derived in the
35 preceding month from rentals upon which the tax is levied.

36 A return filed with the city finance officer under this section is not a public record as
37 defined by G.S. 132-1 and may not be disclosed except as required by law."

38 **SECTION 21.(mm)** Subsection (c) of Section 1 of Chapter 695 of the 1993
39 Session Laws reads as rewritten:

40 "(c) Administration.

41 The town shall administer a tax levied under this section. A tax levied under this
42 section is due and payable to the town in monthly installments on or before the ~~fifteenth~~
43 20th day of the month following the month in which the tax accrues. Every person, firm,
44 corporation, or association liable for the tax shall, on or before the ~~fifteenth-20th~~ day of

1 each month, prepare and render a return on a form prescribed by the town. The return
2 shall state the total gross receipts derived in the preceding month from rentals upon
3 which the tax is levied.

4 A return filed with the town under this section is not a public record as defined by
5 G.S. 132-1 and may not be disclosed except as required by law."

6 **SECTION 21.(nn)** Subsection (c) of Section 1 of Chapter 530 of the 1995
7 Session Laws reads as rewritten:

8 "(c) Administration. The county shall administer a tax levied under this section. A
9 tax levied under this section is due and payable to the county finance officer in monthly
10 installments on or before the ~~15th~~20th day of the month following the month in which
11 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
12 on or before the ~~15th~~20th day of each month, prepare and render a return on a form
13 prescribed by the county. The return shall state the total gross receipts derived in the
14 preceding month from rentals upon which the tax is levied.

15 A return filed with the county finance officer under this section is not a public record
16 and may not be disclosed except in accordance with G.S. 153A-148.1 or
17 G.S. 160A-208.1."

18 **SECTION 21.(oo)** This section becomes effective January 1, 2008.

19 **SECTION 22.(a)** Section 9 of S.L. 2005-294 is repealed.

20 **SECTION 22.(b)** Section 13 of S.L. 2005-294, as amended by Section 31.5
21 of S.L. 2006-259, reads as rewritten:

22 "**SECTION 13.** Sections 4 and 8 of this act become effective January 1, 2006.
23 Sections 1, 2, 3, 5, 6, 7, ~~9~~,10, and 11 of this act become effective July 1, 2010, or when
24 the Division of Motor Vehicles and the Department of Revenue certify that the
25 integrated computer system for registration renewal and property tax collection for
26 motor vehicles is in operation, whichever occurs first. Sections 12 and 13 of this act are
27 effective when they become law. Nothing in this act shall require the General Assembly
28 to appropriate funds to implement it for the biennium ending June 30, 2007."

29 **SECTION 22.(c)** G.S. 105-330.10 reads as rewritten:

30 "**§ 105-330.10. Disposition of interest.**

31 ~~Sixty percent (60%) of the first month's~~The interest collected on unpaid taxes
32 registration fees pursuant to G.S. 105-330.4 shall be transferred on a monthly basis to
33 ~~the Combined Motor Vehicle and Registration Account created within the Treasurer's~~
34 ~~Office.~~North Carolina Highway Fund for technology improvements within the Division
35 of Motor Vehicles. ~~Interest generated by the funds in the Combined Motor Vehicle and~~
36 ~~Registration Account shall be credited to the Account. The Office of State Budget and~~
37 ~~Management shall direct the Treasurer to distribute the funds in the Account to the~~
38 ~~Division of Motor Vehicles for the purpose of developing and implementing an~~
39 ~~integrated computer system within the Division of Motor Vehicles that would allow for~~
40 ~~the combined assessment, billing, and collection of property taxes on motor vehicles~~
41 ~~and the issuance of registration plates. Funds in the Account shall not be transferred by~~
42 ~~the Office of State Budget and Management and appropriated by the General Assembly~~
43 ~~until the Department of Transportation and the North Carolina Association of County~~
44 ~~Commissioners reach agreement on a project plan for the integrated system. The~~

1 Treasurer shall report to the Revenue Laws Study Committee semiannually with the
2 first report due by April 30, 2006. The report shall contain a detailed description of the
3 amount of moneys transferred to the Account and distributed from the Account. Any
4 funds remaining in the Account after the integrated computer system has been certified
5 to be in operation shall be distributed to the local governments on a pro rata basis
6 determined by the first month's interest collected on the unpaid taxes on classified motor
7 vehicles and paid into the Account by each local government."

8 **SECTION 22.(d)** Subsection (c) of this section becomes effective January 1,
9 2010. The remainder of this section is effective when it becomes law.

10 **SECTION 23.** The introductory language of Section 6 of S.L. 2006-128
11 reads as rewritten:

12 "SECTION 6. G.S. ~~153A-215(g)~~153A-155(g) reads as rewritten:"

13 **SECTION 24.** Section 33 of S.L. 2006-162 reads as rewritten:

14 "SECTION 33. ~~Section 4~~Sections 4(a) and 4(b) of this act ~~is~~are effective for
15 taxable years beginning on or after January 1, 2006. Section 13 of this act becomes
16 effective July 1, 2007, and applies to motor fuel transported on or after that date.
17 Sections 14, 15, and 17 of this act become effective January 1, 2007, and apply to motor
18 fuel purchased on or after that date. An exempt card or code will not be valid for sales
19 of motor fuel at the terminal rack on or after January 1, 2007. Section 26 of this act is
20 effective when it becomes law and applies to the estates of decedents dying on or after
21 January 1, 2005. Section 32 of this act becomes effective January 1, 2007. The
22 remainder of this act is effective when it becomes law."

23 **SECTION 25.** Sec. 8.4 of Chapter 692 of the 1989 Session Laws is repealed.

24 **SECTION 26.(a)** G.S. 105-130.41(c1) reads as rewritten:

25 "(c1) Report. – The Department of Revenue must publish by May 1 of each year
26 the following information itemized by taxpayer for the 12-month period ending the
27 preceding December 31:

28 (1) The number of taxpayers taking a credit allowed in this section.

29 (2) The total amount of charges ~~with respect to which credits were~~
30 ~~taken~~assessed for the taxable year.

31 (3) The total cost to the General Fund of the credits taken."

32 **SECTION 26.(b)** G.S. 105-151.22(c1) reads as rewritten:

33 "(c1) Report. – The Department of Revenue must publish by May 1 of each year
34 the following information itemized by taxpayer for the 12-month period ending the
35 preceding December 31:

36 (1) The number of taxpayers taking a credit allowed in this section.

37 (2) The total amount of charges ~~with respect to which credits were~~
38 ~~taken~~assessed for the taxable year.

39 (3) The total cost to the General Fund of the credits taken."

40 **SECTION 27.** G.S. 105-164.13(38) reads as rewritten:

41 "**§ 105-164.13. Retail sales and use tax.**

42 The sale at retail and the use, storage, or consumption in this State of the following
43 tangible personal property and services are specifically exempted from the tax imposed
44 by this Article:

1 ...
2 (38) Food and other items lawfully purchased under the Food Stamp
3 Program, ~~7 U.S.C. § 51,~~ 7 U.S.C. § 2011, and supplemental foods
4 lawfully purchased with a food instrument issued under the Special
5 Supplemental Food Program, 42 U.S.C. § 1786, and supplemental
6 foods purchased for direct distribution by the Special Supplemental
7 Food Program."

8 **SECTION 28.** G.S. 105-164.44I is amended by adding a new subsection to
9 read:

10 "(c1) Revised Certification. – If a county or city determines that the amount of
11 cable franchise tax it imposed during the first six months of the 2006-2007 fiscal year
12 differs from the amount certified to the Secretary under subsection (c) of this section,
13 the county or city may submit a new certification to the Secretary revising the amount.
14 For distributions for quarters beginning on or after October 1, 2007, the Secretary must
15 determine the proportionate share of a county or city based upon certifications
16 submitted on or before October 1, 2007. For distributions for quarters beginning on or
17 after April 1, 2008, the Secretary must determine the proportionate share of a county or
18 city based upon certifications submitted on or before April 1, 2008. Certifications
19 submitted after April 1, 2008, may not be used to adjust a county's or city's base amount
20 under subsection (c) of this section."

21 **SECTION 29.** G.S. 105-187.9 reads as rewritten:

22 "**§ 105-187.9. Disposition of tax proceeds.**

23 (a) ~~Distribution. — Taxes collected under this Article at the rate of eight percent~~
24 ~~(8%) shall be credited to the General Fund. Taxes collected under this Article at the rate~~
25 ~~of three percent (3%) shall be credited to the North Carolina Highway Trust Fund.~~

26 (b) ~~Transfer. — In each fiscal year the State Treasurer shall transfer the amounts~~
27 ~~provided below from the taxes deposited in the Trust Fund to the General Fund. The~~
28 ~~transfer of funds authorized by this section may be made by transferring one fourth of~~
29 ~~the amount at the end of each quarter in the fiscal year or by transferring the full amount~~
30 ~~annually on July 1 of each fiscal year, subject to the availability of revenue.~~

31 (1) ~~The sum of one hundred seventy million dollars (\$170,000,000).~~

32 (2) ~~In addition to the amount transferred under subdivision (1) of this~~
33 ~~subsection, the sum of one million seven hundred thousand dollars~~
34 ~~(\$1,700,000) shall be transferred in the 2001-2002 fiscal year. The~~
35 ~~amount distributed under this subdivision shall increase in the~~
36 ~~2002-2003 fiscal year to the sum of two million four hundred thousand~~
37 ~~dollars (\$2,400,000). In each fiscal year thereafter, the sum transferred~~
38 ~~under this subdivision shall be the amount distributed in the previous~~
39 ~~fiscal year plus or minus a percentage of this sum equal to the~~
40 ~~percentage by which tax collections under this Article increased or~~
41 ~~decreased for the most recent 12-month period for which data are~~
42 ~~available.~~

1 (a) Highway Trust Fund. – All taxes collected under this Article must be credited
2 to the Highway Trust Fund unless subsection (b) of this section requires a different
3 disposition.

4 (b) General Fund. – The following taxes collected under this Article must be
5 credited to the General Fund:

6 (1) Taxes collected at the rate of eight percent (8%).

7 (2) Forty-two million five hundred thousand dollars (\$42,500,000) of the
8 amount collected each quarter at the rate of three percent (3%).

9 (3) For the 2006-2007 fiscal year, the sum of two million four hundred
10 eighty-six thousand six hundred two dollars (\$2,486,602). For each
11 subsequent fiscal year, a sum equal to the amount credited under this
12 subdivision the previous fiscal year plus or minus the percentage of
13 this amount that equals the percentage by which tax collections under
14 this Article increased or decreased for the most recent 12-month period
15 for which data are available."

16 **SECTION 30.** G.S. 105-187.11 is repealed.

17 **SECTION 31.** G.S. 105-241(b)(2) reads as rewritten:

18 (b) Electronic Funds Transfer. – Payment by electronic funds transfer is required
19 as provided in this subsection.

20 ...

21 (2) ~~Semimonthly Prepayment taxes.~~ – A taxpayer that is required to pay
22 ~~tax on a semimonthly schedule prepay tax under G.S. 105-116 or G.S.~~
23 ~~105-164.16 must pay the tax by electronic funds transfer."~~

24 **SECTION 32.** G.S. 105-248.1 is repealed.

25 **SECTION 33.** G.S. 105-259(b)(3) reads as rewritten:

26 (b) Disclosure Prohibited. – An officer, an employee, or an agent of the State
27 who has access to tax information in the course of service to or employment by the State
28 may not disclose the information to any other person unless the disclosure is made for
29 one of the following purposes:

30 ...

31 (3) ~~Review by~~ To exchange the following types of information with a tax
32 official of another jurisdiction if the laws of the other jurisdiction
33 allow it to provide similar tax information to a representative of this
34 State:

35 a. ~~Information to aid the jurisdiction in collecting a tax imposed~~
36 ~~by this State or the other jurisdiction if the laws of the other~~
37 ~~jurisdiction allow it to provide similar tax information to a~~
38 ~~representative of this State jurisdiction.~~

39 b. Information needed for statistical reports and revenue
40 estimates."

41 **SECTION 34.** G.S. 105-259(b)(7) reads as rewritten:

42 (b) Disclosure Prohibited. – An officer, an employee, or an agent of the State
43 who has access to tax information in the course of service to or employment by the State

1 may not disclose the information to any other person unless the disclosure is made for
 2 one of the following purposes:

3 ...

4 (7) To exchange information with the Division of the State Highway
 5 Patrol of the Department of Crime Control and Public Safety, the
 6 Division of Motor Vehicles of the Department of Transportation, ~~or~~
 7 the International Fuel Tax Association, Inc., or the Joint Operations
 8 Center for National Fuel Tax Compliance when the information is
 9 needed to fulfill a duty imposed on the Department of Revenue, the
 10 Division of the State Highway Patrol of the Department of Crime
 11 Control and Public Safety, or the Division of Motor Vehicles of the
 12 Department of Transportation."

13 **SECTION 35.** G.S. 105-259(b)(13) reads as rewritten:

14 "(b) Disclosure Prohibited. – An officer, an employee, or an agent of the State
 15 who has access to tax information in the course of service to or employment by the State
 16 may not disclose the information to any other person unless the disclosure is made for
 17 one of the following purposes:

18 ...

19 (13) To furnish the following to the Fiscal Research Division of the General
 20 Assembly, upon ~~request, a request:~~

21 a. A sample, suitable in character, composition, and size for
 22 statistical analyses, of tax returns or other tax information from
 23 which taxpayers' names and identification numbers have been
 24 removed.

25 b. An analysis of the fiscal impact of proposed legislation."

26 **SECTION 36.** G.S. 105-259 (b)(27) reads as rewritten:

27 "(b) Disclosure Prohibited. – An officer, an employee, or an agent of the State
 28 who has access to tax information in the course of service to or employment by the State
 29 may not disclose the information to any other person unless the disclosure is made for
 30 one of the following purposes:

31 ...

32 (27) To provide a report required under this Chapter.

33 ~~105-129.85"~~

34 **SECTION 37.** G.S. 105-275(41) reads as rewritten:

35 **"§ 105-275. Property classified and excluded from the tax base.**

36 The following classes of property are hereby designated special classes under
 37 authority of Article V, Sec. 2(2), of the North Carolina Constitution and shall not be
 38 listed, appraised, assessed, or taxed:

39 ...

40 (41) Objects of art held by the North Carolina State Art Society,
 41 Incorporated."

42 **SECTION 38.(a)** G.S. 105-449.81(3a) is repealed.

43 **SECTION 38.(b)** This section becomes effective January 1, 2008.

44 **SECTION 39.** G.S. 142-95 is repealed.

1 **SECTION 40.** Article 3 of Chapter 159D of the General Statutes is repealed.

2 **SECTION 41.** G.S. 20-51(16), as enacted by S.L. 2007-194, reads as
3 rewritten:

4 "**§ 20-51. Exempt from registration.**

5 The following shall be exempt from the requirement of registration and certificate of
6 title:

7 ...

8 (16) A vehicle that meets all of the ~~following~~following conditions is
9 exempt from the requirement of registration and certificate of title. The
10 provisions of G.S. 105-449.117 continue to apply to the vehicle and to
11 the person in whose name the vehicle would be registered.

- 12 a. Is an agricultural spreader vehicle. An 'agricultural spreader
13 vehicle' is a vehicle that is designed for off-highway use on a
14 farm to spread fertilizer, seed, lime, or other agricultural
15 products on a field.
- 16 b. Is driven on the highway only for the purpose of going from the
17 location of its supply source for fertilizer or other products to
18 and from a farm.
- 19 c. Does not exceed a speed of 35 miles per hour.
- 20 d. Does not drive outside a radius of 50 miles from the location of
21 its supply source for fertilizer and other products.
- 22 e. Is driven by a person who has a license appropriate for the class
23 of the vehicle.
- 24 f. Is insured under a motor vehicle liability policy in the amount
25 required under G.S. 20-309.
- 26 g. Displays a valid federal safety inspection decal if the vehicle
27 has a gross vehicle weight rating of at least 10,001 pounds."

28 **SECTION 42.** The prefatory language to Section 6 in S.L. 2007-224 reads
29 as rewritten:

30 "**SECTION 6.** ~~G.S. 160-215(g)~~G.S. 160A-215(g) reads as rewritten:"

31 **SECTION 43.** G.S. 153A-155(g) reads as rewritten:

32 "(g) This section applies only to Alleghany, Anson, Brunswick, Buncombe,
33 Cabarrus, Camden, Carteret, Chowan, Clay, Craven, Cumberland, Currituck, Dare,
34 Davie, Duplin, Durham, Franklin, Granville, Halifax, Madison, Martin, Montgomery,
35 Nash, New Hanover, New Hanover County District U, Pasquotank, Pender, Person,
36 Randolph, Richmond, Rockingham, Rowan, Scotland, Stanly, Swain, Transylvania,
37 Tyrrell, Vance, and Washington Counties, to Watauga County District U, and to the
38 Township of Averasboro in Harnett County."

39 **SECTION 44.** Except as otherwise provided, this act is effective when it
40 becomes law.