

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011

SESSION LAW 2012-36  
HOUSE BILL 1025

AN ACT TO EXTEND THE SUNSET OF CERTAIN TAX PROVISIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 2 of S.L. 2009-505 reads as rewritten:

**"SECTION 2.** This act is effective when it becomes law and expires ~~July 1, 2012.~~July 1, 2013."

**SECTION 2.** G.S. 105-129.16D(d) reads as rewritten:

"(d) Sunset. – This section is repealed effective for facilities placed in service on or after ~~January 1, 2013.~~January 1, 2014."

**SECTION 3.** G.S. 105-129.16F(b) reads as rewritten:

"(b) Sunset. – This section is repealed for taxable years beginning on or after ~~January 1, 2013.~~January 1, 2014."

**SECTION 4.** G.S. 105-129.16G(b) reads as rewritten:

"(b) Sunset. – This section expires for taxable years beginning on or after ~~January 1, 2012.~~January 1, 2014."

**SECTION 5.** G.S. 105-129.82(a) reads as rewritten:

"(a) Sunset. – This Article is repealed effective for business activities that occur on or after ~~January 1, 2013.~~January 1, 2014."

**SECTION 6.(a)** G.S. 105-130.48(f) reads as rewritten:

"(f) Sunset. – This section is repealed effective for taxable years beginning on or after ~~January 1, 2013.~~January 1, 2014."

**SECTION 6.(b)** G.S. 105-151.30(f) reads as rewritten:

"(f) Sunset. – This section is repealed effective for taxable years beginning on or after ~~January 1, 2013.~~January 1, 2014."

**SECTION 7.** G.S. 105-151.28(d) reads as rewritten:

"(d) Sunset. – This section is repealed for taxable years beginning on or after ~~January 1, 2013.~~January 1, 2014."

**SECTION 8.** G.S. 105-151.31(c) reads as rewritten:

"(c) Sunset. – This section is repealed effective for taxable years beginning on or after ~~January 1, 2013.~~January 1, 2014."

**SECTION 9.** G.S. 105-151.32(c) reads as rewritten:

"(c) Sunset. – This section is repealed effective for taxable years beginning on or after ~~January 1, 2013.~~January 1, 2014."

**SECTION 10.** G.S. 105-163.015 reads as rewritten:

**"§ 105-163.015. Sunset.**

This Part is repealed effective for investments made on or after ~~January 1, 2013.~~January 1, 2014."

**SECTION 11.(a)** G.S. 105-164.14A(a) reads as rewritten:

"(a) Refund. – The following taxpayers are allowed an annual refund of sales and use taxes paid under this Article:

- (1) **(Repealed for purchases made on or after January 1, 2013)** Passenger air carrier. – An interstate passenger air carrier is allowed a refund of the sales and use tax paid by it on fuel in excess of two million five hundred thousand dollars (\$2,500,000). The amount of sales and use tax paid does not include a refund allowed to the interstate passenger air carrier under G.S. 105-164.14(a). This subdivision is repealed for purchases made on or after ~~January 1, 2013.~~January 1, 2014.



- (2) Major recycling facility. – An owner of a major recycling facility is allowed a refund of the sales and use tax paid by it on building materials, building supplies, fixtures, and equipment that become a part of the real property of the recycling facility. Liability incurred indirectly by the owner for sales and use taxes on these items is considered tax paid by the owner.
- (3) Business in low-tier area. – A taxpayer that is engaged primarily in one of the businesses listed in G.S. 105-129.83(a) in a development tier one area and that places machinery and equipment in service in that area is allowed a refund of the sales and use tax paid by it on the machinery and equipment. For purposes of this subdivision, "machinery and equipment" includes engines, machinery, equipment, tools, and implements used or designed to be used in one of the businesses listed in G.S. 105-129.83, capitalized for tax purposes under the Code, and not leased to another party. Liability incurred indirectly by the taxpayer for sales and use taxes on these items is considered tax paid by the taxpayer. The sunset for Article 3J of Chapter 105 of the General Statutes for development tier one areas applies to this subdivision.
- (4) **(Repealed for purchases made on or after January 1, 2013)** Motorsports team or sanctioning body. – A professional motorsports racing team, a motorsports sanctioning body, or a related member of such a team or body is allowed a refund of the sales and use tax paid by it in this State on aviation fuel that is used to travel to or from a motorsports event in this State, to travel to a motorsports event in another state from a location in this State, or to travel to this State from a motorsports event in another state. For purposes of this subdivision, a "motorsports event" includes a motorsports race, a motorsports sponsor event, and motorsports testing. This subdivision is repealed for purchases made on or after ~~January 1, 2013.~~January 1, 2014.
- (5) **(Repealed for purchases made on or after January 1, 2014)** Professional motorsports team. – A professional motorsports racing team or a related member of a team is allowed a refund of fifty percent (50%) of the sales and use tax paid by it in this State on tangible personal property, other than tires or accessories, that comprises any part of a professional motorsports vehicle. For purposes of this subdivision, "motorsports accessories" includes instrumentation, telemetry, consumables, and paint. This subdivision is repealed for purchases made on or after January 1, 2014.
- (6) **(Repealed for purchases made on or after January 1, 2013)** Analytical services business. – A taxpayer engaged in analytical services in this State is allowed a refund of sales and use tax paid by it. This subdivision is repealed for purchases made on or after ~~January 1, 2013.~~January 1, 2014. The amount of the refund is the greater of the following:
- a. Fifty percent (50%) of the eligible amount of sales and use tax paid by it on tangible personal property that is consumed or transformed in analytical service activities. The eligible amount of sales and use tax paid by the taxpayer in this State is the amount by which sales and use tax paid by the taxpayer in this State in the fiscal year exceed the amount paid by the taxpayer in this State in the 2006-2007 State fiscal year.
  - b. Fifty percent (50%) of the amount of sales and use tax paid by it in the fiscal year on medical reagents.
- (7) **(Repealed for purchases made on or after January 1, 2038)** Railroad intermodal facility. – The owner or lessee of an eligible railroad intermodal facility is allowed a refund of sales and use tax paid by it under this Article on building materials, building supplies, fixtures, and equipment that become a part of the real property of the facility. Liability incurred indirectly by the owner or lessee of the facility for sales and use taxes on these items is considered tax paid by the owner or lessee. This subdivision is repealed for purchases made on or after January 1, 2038."

**SECTION 11.(b)** G.S. 105-164.14B(f) reads as rewritten:

"(f) Sunset. – This section is repealed for sales made on or after ~~January 1, 2013~~January 1, 2014."

**SECTION 12.(a)** G.S. 105-129.39 reads as rewritten:

**"§ 105-129.39. Sunset.**

This Article expires for qualified rehabilitation expenditures and rehabilitation expenses incurred on or after ~~January 1, 2014~~January 1, 2015."

**SECTION 12.(b)** G.S. 105-129.75 reads as rewritten:

**"§ 105-129.75. Sunset.**

This Article expires ~~January 1, 2014~~January 1, 2015, for rehabilitation projects for which an application for an eligibility certification is submitted on or after that date."

**SECTION 13.** This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 13<sup>th</sup> day of June, 2012.

s/ Philip E. Berger  
President Pro Tempore of the Senate

s/ Thom Tillis  
Speaker of the House of Representatives

s/ Beverly E. Perdue  
Governor

Approved 11:54 a.m. this 20<sup>th</sup> day of June, 2012