

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013

**H.B. 389**  
**Mar 20, 2013**  
**HOUSE PRINCIPAL CLERK**

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HOUSE DRH30198-MC-145 (03/15)

Short Title: Restore Hold Harmless Sales Tax Funds. (Public)

Sponsors: Representatives Holloway, Howard, Jones, and Burr (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO RESTORE THE LOCAL GOVERNMENT HOLD HARMLESS FOR  
3 REPEALED REIMBURSEMENTS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-521 reads as rewritten:

6 "**§ 105-521. Transitional local government hold harmless for repealed reimbursements.**

7 ...

8 (b1) Limited Distributions. – On or before August 15, 2013, and every August 15  
9 through August 15, 2016, the Secretary must multiply each local government's local sales tax  
10 share by the estimated amount of replacement revenue that all local governments are expected  
11 to receive during the current fiscal year. If the resulting amount is less than one hundred  
12 percent (100%) of the local government's repealed reimbursement amount, the Secretary must  
13 pay the local government the percentage amount of the difference set out in the table below, but  
14 not less than one hundred dollars (\$100.00):

<u>Year</u>	<u>Percentage Amount of the Difference</u>
<u>2013</u>	<u>100%</u>
<u>2014</u>	<u>75%</u>
<u>2015</u>	<u>50%</u>
<u>2016</u>	<u>25%</u>

20 ...

21 (d) Reports. – The Secretary must report to the Revenue Laws Study Committee by  
22 January 31, 2004, and each January 31 through January 31, ~~2013~~2017, the amount distributed  
23 under this section for the current fiscal year."

24 **SECTION 2.** This act is effective when it becomes law.

