

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 313

Short Title: Retro Repeal/Refund Intangibles Tax.

(Public)

Sponsors: Representatives Allred; Arnold, Capps, Clary, Creech, Davis, Decker, Grady, Gulley, Hardy, McComas, Nye, Sexton, Smith, Tolson, and Wood.

Referred to: Ways & Means, if favorable, Finance.

February 24, 1997

A BILL TO BE ENTITLED

1 AN ACT TO RETROACTIVELY REPEAL THE UNCONSTITUTIONAL
2 INTANGIBLES TAX ON STOCK AND REFUND THE TAX WITH INTEREST
3 FOR THE 1991 THROUGH 1994 TAX YEARS FROM THE RAINY DAY FUND.

4 The General Assembly of North Carolina enacts:

5 Section 1. Effective retroactively for the 1991, 1992, 1993, and 1994 tax
6 years, G.S. 105-203 is repealed.

7 Section 2. G.S. 105-266(c) is amended by adding a new subdivision to read:

8 "(5) Repealed Tax. – If an act of the General Assembly repeals a tax
9 retroactively, each taxpayer's payment of the repealed tax is an
10 overpayment for the purpose of this section. On the date the act
11 becomes law, the Secretary shall discover these overpayments of the
12 repealed tax; the Secretary's discoveries are timely for the purposes of
13 this section."

14 Section 3. Notwithstanding the provisions of G.S. 105-266(a), refund of a
15 taxpayer's overpayment of the tax repealed by Section 1 of this act shall be made in three
16 equal installments to be paid on October 1, 1997, July 1, 1998, and July 1, 1999. The
17 Department of Revenue shall draw the amount of the refunds as well as the cost of
18 making the refunds from the Savings Reserve Account established in G.S. 143-15.3.
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1 Section 4. This act does not affect the rights or liabilities of the State, a
2 taxpayer, or another person arising under a statute amended or repealed by this act before
3 the effective date of its amendment or repeal; nor does it affect the right to any refund or
4 credit of a tax that accrued under the amended or repealed statute before the effective
5 date of its amendment or repeal.

6 Section 5. Section 1 of this act is effective retroactively for the 1991, 1992,
7 1993, and 1994 tax years. The remainder of this act is effective when this act becomes
8 law.