

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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SENATE DRS35227-RBx-17 (02/23)

Short Title: Various Changes to the Revenue Laws. (Public)

Sponsors: Senators Rucho, Rabon, and Tillman (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE VARIOUS CHANGES TO THE REVENUE LAWS.
3 The General Assembly of North Carolina enacts:

4 SECTION 1.(a) G.S. 105-153.5(b) is amended by adding the following new
5 subdivisions to read:

6 "(b) Other Deductions. – In calculating North Carolina taxable income, a taxpayer may
7 deduct from the taxpayer's adjusted gross income any of the following items that are included
8 in the taxpayer's adjusted gross income:

9 ...

10 (10) The amount added to federal taxable income under section 108(8)(1) of the
11 Code. This deduction applies to taxable years beginning on or after January
12 1, 2014.

13 (11) The amount claimed under section 67(b)(9) of the Code related to when a
14 taxpayer restores a substantial amount held under claim of right, less (i) the
15 limitation provided under section 67(a) of the Code minus (ii) all other items
16 deductible under section 67(b) of the Code, not to exceed the limitation
17 provided under section 67(a) of the Code."

18 SECTION 1.(b) This section becomes effective for taxable years beginning on or
19 after January 1, 2014.

20 SECTION 2.(a) G.S. 105-153.5(c) is amended by adding a new subdivision to
21 read:

22 "(c) Additions. – In calculating North Carolina taxable income, a taxpayer must add to
23 the taxpayer's adjusted gross income any of the following items that are not included in the
24 taxpayer's adjusted gross income:

25 ...

26 (6) The amount of net operating loss carried to and deducted on the federal
27 return but not absorbed in that year and carried forward to a subsequent
28 year."

29 SECTION 2.(b) This section becomes effective for taxable years beginning on or
30 after January 1, 2015.

31 SECTION 3. G.S. 105-163.1 reads as rewritten:

32 "§ 105-163.1. Definitions.

33 The following definitions apply in this Article:

34 ...

35 (6) Individual. – Defined in ~~G.S. 105-134.1~~G.S. 105-153.3.

36 ...



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- (13) Wages. – The term has the same meaning as in section 3401 of the Code except it does not include ~~the either of the following:~~
- a. ~~The amount of severance wages paid to an employee during the taxable year that is exempt from State income tax for that taxable year under G.S. 105-134.6(b)(11).~~
- b. ~~The amount an employer pays an employee as reimbursement for ordinary and necessary expenses incurred by the employee on behalf of the employer and in the furtherance of the business of the employer.~~

...."

SECTION 4.(a) G.S. 105-130.4 is amended by adding a new subsection to read:

"(s2) All apportionable income of a business in couriers and express delivery services industry group 4921 as defined by NAICS shall be apportioned by a fraction, the numerator of which is the sum of the following two amounts: (i) the service's revenues from business carried on within this State from sources other than courier and package delivery services and (ii) the service's revenues from courier and package delivery services derived from business carried on within this State. The denominator of the fraction is the service's total sales revenue during the taxable year. The service's revenues from courier and package delivery services derived from business carried on within this State shall be computed by multiplying the service's total revenues from courier and package delivery services by the percentage of the service's total pickups and deliveries taking place in this State."

SECTION 4.(b) This section becomes effective for taxable years beginning on or after January 1, 2016.

SECTION 5. G.S. 105-164.3(44) reads as rewritten:

"§ 105-164.3. Definitions.

The following definitions apply in this Article:

...

- (44) Storage. – The keeping or retention in this State for any purpose, except sale in the regular course of business, of tangible personal property or digital property purchased from a retailer. ~~The term does not include a purchaser's storage of tangible personal property or digital property in any of the following circumstances:~~
- a. ~~When the purchaser is able to document that at the time the purchaser acquires the property the property is designated for the purchaser's use outside the State and the purchaser subsequently takes it outside the State and uses it solely outside the State.~~
- b. ~~When the purchaser acquires the property to process, fabricate, manufacture, or otherwise incorporate it into or attach it to other property for the purchaser's use outside the State and, after incorporating or attaching the purchased property, the purchaser subsequently takes the other property outside the State and uses it solely outside the State."~~

SECTION 6. G.S. 105-242.2(e) reads as rewritten:

"(e) Statute of Limitations. – The period of limitations for assessing a responsible person for unpaid taxes under this section expires the later of (i) one year after the expiration of the period of limitations for assessing the business ~~entity~~ entity or (ii) one year after a tax becomes collectible under G.S. 105-241.22(4), (5), or (6)."

SECTION 7. Except as otherwise provided, this act is effective when it becomes law.