

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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SENATE BILL 767

Short Title: Combat-Injured Veterans Tax Fairness Act. (Public)

Sponsors: Senator D. Davis (Primary Sponsor).

Referred to: Rules and Operations of the Senate

May 18, 2020

A BILL TO BE ENTITLED

1 AN ACT TO EXTEND THE TIME PERIOD FOR FILING AN AMENDED RETURN FOR
2 INCOME TAX LIABILITY AFFECTED BY THE COMBAT-INJURED VETERANS TAX
3 FAIRNESS ACT OF 2016.
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5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Purpose. – The purpose of this section is to extend the statute of
7 limitations for requesting a refund of State income taxes to conform to federal tax treatment of
8 certain disability severance payments that were not considered gross income to veterans with
9 combat-related injuries and from which the Department of Defense withheld amounts for tax
10 purposes.

11 **SECTION 2.** Extension of Time to File Claim for Refund. – Notwithstanding the
12 general statute of limitations for obtaining a refund of an overpayment of tax under
13 G.S. 105-241.6(a), a taxpayer who (i) is a veteran that was provided notice pursuant to section 3
14 of Public Law 114-292 of an amount of improperly withheld severance payments and (ii) filed
15 an amended federal individual income tax return to recover the amount improperly withheld may
16 apply to the Department of Revenue for a refund of the State individual income tax paid on the
17 amount improperly withheld.

18 **SECTION 3.** Late Refund Request. – A request for a refund under this act must be
19 made to the Secretary of Revenue on or before October 15, 2022. A request for a refund received
20 after that date is barred.

21 **SECTION 4.** This act is effective when it becomes law.



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