

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

FILED SENATE  
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S.B. 96  
PRINCIPAL CLERK

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SENATE BILL DRS35052-MCf-30

Short Title: Modify Insufficient Funds Tax Payment Fee. (Public)

Sponsors: Senators Mayfield, Moffitt, and Daniel (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO MODIFY TO THIRTY-FIVE DOLLARS THE PENALTY FOR A TAX  
3 PAYMENT THAT IS RETURNED FOR INSUFFICIENT FUNDS OR NONEXISTENCE  
4 OF AN ACCOUNT.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 105-357(b)(2) reads as rewritten:

7 "(2) Penalty. – In addition to interest for nonpayment of taxes provided by  
8 G.S. 105-360 and in addition to any criminal penalties provided by law, the  
9 penalty for presenting in payment of taxes a check or electronic funds transfer  
10 that is returned or not completed because of insufficient funds or nonexistence  
11 of an account of the drawer or transferor is ~~twenty-five dollars (\$25.00) or ten~~  
12 ~~percent (10%) of the amount of the check or electronic invoice, whichever is~~  
13 ~~greater, subject to a maximum of one thousand dollars (\$1,000).~~ thirty-five  
14 dollars (\$35.00). This penalty does not apply if the tax collector finds that,  
15 when the check or electronic funds transfer was presented for payment, the  
16 drawer of the check or transferor of funds had sufficient funds in an account  
17 at a financial institution in this State to make the payment and, by  
18 inadvertence, the drawer of the check or transferor of the funds failed to draw  
19 the check or initiate a transfer on the account that had sufficient funds. This  
20 penalty shall be added to and collected in the same manner as the taxes for  
21 which the check or electronic payment was given."

22 **SECTION 2.** This act becomes effective July 1, 2025, and applies to checks or  
23 electronic funds transfers presented for payment of taxes on or after that date.

