

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2025

S

1

SENATE BILL 96

Short Title: Modify Insufficient Funds Tax Payment Fee.

(Public)

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

Referred to: Rules and Operations of the Senate

February 17, 2025

A BILL TO BE ENTITLED

AN ACT TO MODIFY TO THIRTY-FIVE DOLLARS THE PENALTY FOR A TAX
PAYMENT THAT IS RETURNED FOR INSUFFICIENT FUNDS OR NONEXISTENCE
OF AN ACCOUNT.

The General Assembly of North Carolina enacts:

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

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

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

