

NORTH CAROLINA GENERAL ASSEMBLY
1969 SESSION

CHAPTER 1122
SENATE BILL 803

1 AN ACT TO AMEND G.S. 105-203 WITH RESPECT TO SHARES OF STOCK.

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3 The General Assembly of North Carolina do enact:
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5 **Section 1.** G.S. 105-203 is hereby rewritten as follows:

6 **"G.S. 105-203. Shares of stock.** All shares of stock owned by residents of this State or having
7 a business, commercial or taxable situs in this State on December 31 of each year, with the
8 exception herein provided, shall be subject to an annual tax, which is hereby levied, of twenty-
9 five cents (25¢) on every one hundred dollars (\$100.00) of the total fair market value of such
10 stock on December 31 of each year less such proportion of such value as is equal to the
11 proportion of the dividends upon such stock deductible by such taxpayer in computing his
12 income tax liability under the provisions of G.S. 105-130.7 and 105-147(7).
13

14 The tax herein levied shall not apply to shares of stock in building and loan associations
15 which pay a tax as levied under Article 8D of Chapter 105 of the General Statutes, nor to shares
16 of stock owned by any corporation which has its commercial domicile in North Carolina, where
17 such corporation owns more than fifty percent (50%) of the outstanding voting stock.

18 Indebtedness incurred directly for the purchase of shares of stock may be deducted from the
19 total value of such shares; provided, the specific shares of stock so purchased are pledged as
20 collateral to secure said indebtedness; provided further, that only so much of said indebtedness
21 may be deducted as is in the same proportion as the taxable value of said shares of stock is to
22 the total value of said shares of stock."

23 **Sec. 2.** All laws and clauses of laws in conflict with this Act are hereby repealed.

24 **Sec. 3.** This Act shall be effective for all taxable years beginning on and after
25 January 1, 1969.

26 In the General Assembly read three times and ratified, this the 30th day of June,
1969.