

NORTH CAROLINA GENERAL ASSEMBLY
1973 SESSION

CHAPTER 1053
HOUSE BILL 463

AN ACT TO TAX BANKS AS OTHER CORPORATIONS.

The General Assembly of North Carolina enacts:

Section 1. Article 8C, Schedule I-C. Excise Tax on Banks, of the General Statutes, including G.S. 105-228.11 through G.S. 105-228.20 as same appear in the 1972 Replacement Volume 2D of the General Statutes, is hereby repealed.

Sec. 2. G.S. 105-125, as the same appears in the 1972 Replacement Volume 2D of the General Statutes, is amended by deleting the words "banking and" immediately following the word "to" at the end of line 3.

Sec. 3. G.S. 105-130.7, as the same appears in the 1972 Replacement Volume 2D of the General Statutes, is amended by deleting subdivision (3), by renumbering subdivision (4) to be subdivision (3), by renumbering subdivision(5) to be subdivision (4) and changing the figure "(4)" in line 1 thereof to be "(3)", and by renumbering subdivision (6) to be subdivision (5), and to change the figure "(4)" in line 14 thereof to "(3)".

Sec. 4. G.S. 105-130.11, as the same appears in the 1972 Replacement Volume 2D of the General Statutes, is amended by deleting in subdivision (a)(2) the words "bank or banking association, trust company or any combination of such facilities or services subject to taxation under Article 8C of this Chapter;" and immediately following the word "Every" in line one.

Sec. 5. G.S. 105-147, as same appears in the 1972 Replacement Volume 2D of the General Statutes, is amended by deleting the next to the last sentence in subdivision (7) which reads as follows: "Dividends received by a taxpayer from stock in any bank or trust company in this State taxed under the provisions of Article 8C of Subchapter I of this Chapter shall be deductible."

Sec. 6. G.S. 105-198 is amended by adding the following language at the end of the section: "Banks or banking associations, trust companies or any combination of such facilities or services shall be subject to the provisions of this Article for taxable years beginning on and after January 1, 1974."

Sec. 7. Article 2, Schedule B, License Taxes, of Chapter 105 of the General Statutes, is amended by adding a new section following G.S. 105-93 which shall read as follows:

"§ 105-94. **Banks.** — There is hereby imposed upon every bank or banking association, including each national banking association, that is organized and operating in this State as a commercial bank, an industrial bank, a savings bank, a trust company, or any combination of such facilities or services, and whether such bank or banking association, hereinafter to be referred to as a bank or banks, be organized, under the laws of the United States or the laws of North Carolina, in the corporate form or in some other form of business organization, an annual privilege tax in the amount of \$30 for each \$1 million or fractional part thereof of total assets held as hereinafter provided. The assets upon which the tax is levied shall be determined by averaging the total assets shown in the four quarterly call reports of condition (consolidating domestic subsidiaries) for the preceding calendar year as required by bank regulatory authorities; provided, however, where a new bank commences operations within the State there

shall be levied and paid an annual privilege tax of \$100.00 until such bank shall have made four quarterly call reports of condition (consolidating domestic subsidiaries) for a single calendar year. The tax imposed hereunder shall be for the privilege of carrying on the businesses herein defined on a statewide basis regardless of the number of places or locations of business within the State. Counties, cities and towns shall not levy a license or privilege tax on the businesses taxed under this section."

Sec. 8. This act shall become effective with respect to taxable years beginning on and after January 1, 1974.

Sec. 9. Nothing in this act shall be construed to relieve banks from excise tax in 1974 based on their net income earned during the year 1973, nor shall it affect any rights or liabilities of any bank arising prior to the effective date of this act.

Sec. 10. Banks, or banking associations, trust companies or any combination of such facilities or services that become subject to taxes levied upon tangible personal property by local taxing jurisdictions as a result of this act, shall have 90 days after the effective date of this act to list such tangible personal property with the local taxing jurisdictions at the fair market value of such property.

In the General Assembly read three times and ratified, this the 28th day of March, 1974.