

NORTH CAROLINA GENERAL ASSEMBLY
1973 SESSION

CHAPTER 668
HOUSE BILL 174

AN ACT TO CLARIFY THE AUTHORITY OF THE STATE TO MAKE PAYMENTS IN LIEU OF TAXES ON CERTAIN TIMBERLANDS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-279 is rewritten to read as follows:

"§ 105-279. **Timberlands owned by the State; payments in lieu of taxes.** — (a) Any State department or agency that owns timberlands or that leases, controls, or administers State-owned timberlands. shall annually pay to each county in which the timberlands are situated payments in lieu of property taxes computed according to one of the following methods:

(1) Fifteen percent (15%) of the proceeds of the gross sales of trees, timber, pulpwood, pine needles and other forest products from the timberlands in the county during the calendar year; or

(2) The amount of tax that would be imposed on the timberlands, exclusive of improvements, in the county in which they are situated if the timberlands were taxable.

The State department or agency shall notify the county tax supervisor of its election with respect to each State forest on or before September 1, 1973, or within 30 days of the acquisition of additional timberlands.

When received, such payments in lieu of taxes shall be deposited in the county's general fund.

(b) The provisions of subsection (a), above, shall not apply to the proceeds of the sale of forest products directly paid to or received by the State Board of Education, any State educational institution, the Department of Mental Health, or the North Carolina Department of Agriculture from its research stations and experimental farmlands."

Sec. 2. This act shall become effective on July 1, 1973.

In the General Assembly read three times and ratified, this the 22nd day of May, 1973.