

NORTH CAROLINA GENERAL ASSEMBLY  
1977 SESSION

CHAPTER 1114  
SENATE BILL 102

AN ACT TO REVISE THE INTEREST RATE ON TAX ASSESSMENTS.

The General Assembly of North Carolina enacts:

**Section 1.** G.S. 105-241.1 is amended by rewriting subsection (i) thereof in its entirety to read as follows:

"(i) All assessments of taxes or additional taxes (exclusive of penalties assessed thereon) shall bear interest from the time said taxes or additional taxes were due to have been paid until paid. The rate of interest is nine percent (9%) per annum, computed at three-fourths percent (3/4%) per month or fraction thereof, or such adjusted rate as is established by the Secretary of Revenue. The secretary may, not later than December 1 of any year, establish an adjusted rate to be in effect during the next succeeding calendar year, which rate shall conform to the adjusted rate, if any, established by the Secretary of the Treasury under Section 6621 of the United States Internal Revenue Code. If the secretary fails to take such action by December 1, the interest rate for the next succeeding calendar year shall be nine percent (9%)."

**Sec. 2.** G.S. 105-263 is amended by rewriting the last sentence thereof, to read as follows:

"Interest, at the rate established pursuant to G.S. 105-241.1(i), from the time the report or return was originally required to be filed to the time of payment shall be added to and paid with any tax that might be due on returns so extended."

**Sec. 3.** G.S. 105-16, as the same appears in 1972 Replacement Volume 2D of the General Statutes, is hereby amended by rewriting in their entirety lines 4 and 5 thereof to read as follows:

"intestate, grantor, donor or vendor, such tax shall bear interest at the rate established pursuant to G.S. 105-241.1(i), to be computed from the expiration of nine".

**Sec. 4.** G.S. 105-113.35, as the same appears in 1972 Replacement Volume 2D of the General Statutes, is hereby amended by rewriting in its entirety the third line thereof to read as follows:

"the rate established pursuant to G.S. 105-241.1(i) from the date due until".

**Sec. 5.** G.S. 105-113.86(k), as the same appears in 1972 Replacement Volume 2D of the General Statutes, is hereby amended by rewriting in its entirety line 5 thereof to read as follows:

"rate established pursuant to G.S. 105-241.1(i)".

**Sec. 6.** G.S. 105-129(a), as the same appears in 1972 Replacement Volume 2D of the General Statutes, is hereby amended by rewriting in their entirety lines 6 and 7 thereof to read as follows:

"filing any return under this Article or schedule, provided interest at the rate established pursuant to G.S. 105-241.1(i) is paid upon the total".

**Sec. 7.** G.S. 105-130.19, as the same appears in 1972 Replacement Volume 2D of the General Statutes, is hereby amended by:

- (a) deleting the words and figures, "of six percent (6%) per annum from the date the return was originally due to be filed.", appearing in lines 5 and 6 of

- subsection (b), and substituting in lieu thereof the words and figures, "established pursuant to G.S. 105-241.1(i).";
- (b) deleting the words and figures, "of six percent (6%) per annum from the date the return was originally due to be filed.", appearing in lines 14 and 15 of subsection (b) thereof, and substituting therefor the words and figures, "established pursuant to G.S. 105-241.1(i).";
- (c) deleting the words and figures, "of six percent (6%) per annum from the date the return was originally due to be filed until paid.", appearing in lines 3 and 4 of subsection (c), and substituting in lieu thereof the words and figures, "established pursuant to G.S. 105-241.1(i)."

**Sec. 8.** G.S. 105-163.15(a), as the same appears in 1972 Replacement Volume 2D of the General Statutes, is hereby amended by rewriting in their entirety lines 4 and 5 beginning with the caption to read as follows:

"imposed under Article 4 for the taxable year an amount determined at the rate established pursuant to G.S. 105-241.1(i) upon the amount of the underpayment as".

**Sec. 9.** G.S. 105-163.30(a), as the same appears in 1972 Replacement Volume 2D of the General Statutes, is hereby amended by rewriting in their entirety lines 4 and 5 thereof to read as follows:

"the taxable year an amount determined at the rate established pursuant to G.S. 105-241.1(i) upon the amount of the underpayment (determined under subsection)".

**Sec. 10.** G.S. 105-164.19 is amended by rewriting the last sentence thereof, to read as follows:

"If the time for filing a return be extended, interest at the rate established pursuant to G.S. 105-241.1(i) from the time the return was due to be filed to the date of payment shall be added and paid."

**Sec. 11.** From and after the effective date of this act, interest upon assessments and upon additional taxes shall be computed at the rate established by G.S. 105-241.1(i) and shall be computed without regard to any former rate of interest which might have been established by G.S. 105-241.1 for the taxable period for which said assessment was made, or for the period within which said taxes were due to be paid.

**Sec. 12.** This act shall become effective on January 1, 1978, except that the provisions of Section 1 authorizing the Secretary of Revenue to establish adjusted rates of interest shall be effective upon ratification.

In the General Assembly read three times and ratified, this the 1st day of July, 1977.