

NORTH CAROLINA GENERAL ASSEMBLY  
1981 SESSION

CHAPTER 1204  
HOUSE BILL 1074

AN ACT TO AUTHORIZE CORPORATE AND PERSONAL INCOME TAX CREDITS FOR  
CONSTRUCTION OF A PEAT FACILITY.

The General Assembly of North Carolina enacts:

**Section 1.** General Statutes Chapter 105, as the same appears in Replacement Volume 2D of the General Statutes, is hereby amended by the addition of a new section after G.S. 105-130.27, to be given an appropriate number and to read as follows:

**"§ 105- . Credit against corporate income tax for construction of a peat facility.** — (a) Any corporation which constructs in North Carolina a facility which uses peat as the feedstock for the production of a commercially manufactured energy source to replace petroleum, natural gas or other nonrenewable energy sources shall be allowed a credit against the tax imposed by this division equal to twenty percent (20%) of the installation and equipment costs of construction; provided, that the credit shall not be allowed to the extent that any of the cost of the system was provided by federal, State, or local grants. In order to secure the credit allowed by this section, the taxpayer must own or control such facility at the time of construction, and the credit allowed by this section shall not exceed the amount of the tax imposed by this division for the taxable year reduced by the sum of all credits allowable under this division, except for payments of tax made by or on behalf of the taxpayer.

(b) The amount of unused credit allowed under this section may be carried over for the next succeeding five years."

**Sec. 2.** General Statutes Chapter 105, as the same appears in Replacement Volume 2D of the General Statutes, is hereby amended by the addition of a new section, after G.S. 105-151.6, to be given an appropriate number and to read as follows:

**"§ 105- . Credit against personal income tax for construction of a peat facility.** — (a) Any person who constructs in North Carolina a facility which uses peat as the feedstock for the production of a commercially manufactured energy source to replace petroleum, natural gas or other nonrenewable energy sources shall be allowed a credit against the tax imposed by this division equal to twenty percent (20%) of the installation and equipment costs of construction; provided, that the credit shall not be allowed to the extent that any of the cost of the system was provided by federal, State, or local grants. In order to secure the credit allowed by this section, the taxpayer must own or control such facility at the time of construction, and the credit allowed by this section shall not exceed the amount of the tax imposed by this division for the taxable year reduced by the sum of all credits allowable under this division, except for payments of tax made by or on behalf of the taxpayer.

(b) The amount of unused credit allowed under this section may be carried over for the next succeeding five years."

**Sec. 3.** This act shall become effective with respect to taxable years beginning on and after January 1, 1982.

In the General Assembly read three times and ratified, this the 18th day of June, 1982.