

GENERAL ASSEMBLY OF NORTH CAROLINA
1983 SESSION

CHAPTER 713
HOUSE BILL 278

AN ACT TO ENACT THE TAX ADJUSTMENT ACT OF 1983.

The General Assembly of North Carolina enacts:

Part I. Court Costs and Fees.

Section 1. Article 28 of General Statutes Chapter 7A is amended by adding a new section G.S. 7A-320 as follows:

"§ 7A-320. Costs are exclusive. – The costs set forth in this Article are complete and exclusive, and in lieu of any other costs and fees."

Sec. 2. G.S. 7A-304(a)(4) is amended by substituting the words and figures "twenty-three dollars (\$23.00)" for the words and figures "nineteen dollars (\$19.00)" and is further amended by substituting the words and figures "thirty dollars (\$30.00)" for the words and figures "twenty-eight dollars (\$28.00)".

Sec. 3. G.S. 7A-304(c) is amended by rewriting the first sentence as follows: "Witness fees, expenses for blood tests and comparisons incurred by G.S. 8-50.1(a), jail fees and cost of necessary trial transcripts shall be assessed as provided by law in addition to other costs set out in this section."

Sec. 4. G.S. 7A-305(a)(2) is amended by rewriting the first sentence as follows: "For support of the General Court of Justice, the sum of thirty-seven dollars (\$37.00) in the superior court, and the sum of twenty-two dollars (\$22.00) in the district court except that if the case is assigned to a magistrate the sum shall be ten dollars (\$10.00)."

Sec. 5. G.S. 7A-305 is amended by adding a new subsection (b1) as follows:

"(b1) When a defendant files an answer in an action filed as a small claim which requires the entire case to be withdrawn from a magistrate and transferred to the district court, the difference between the General Court of Justice fee and facilities fee applicable to the district court and the General Court of Justice fee and facilities fee applicable to cases heard by a magistrate shall be assessed. The defendant is responsible for paying the fee."

Sec. 6. G.S. 7A-305(d) is amended by deleting the words "The uniform costs set forth in this section are complete and exclusive, and in lieu of any and all other costs, fees, and commissions, except that the" and inserting in their place the word "The".

Sec. 7. G.S. 7A-306(a)(2) is amended by deleting the words and figures "thirteen dollars (\$13.00)" and inserting in their place the words and figures "twenty-two dollars (\$22.00)", and by rewriting the second sentence as follows: "In addition, in proceedings involving land, except boundary disputes, if the fair market value of the

land involved is over one hundred dollars (\$100.00), there shall be an additional sum of thirty cents (30c) per one hundred dollars (\$100.00) of value, or major fraction thereof, not to exceed a maximum additional sum of two hundred dollars (\$200.00)."

Sec. 8. G.S. 7A-306(b) is amended by substituting the words and figures "twenty-two dollars (\$22.00)" for the words and figures "thirteen dollars (\$13.00)".

Sec. 9. G.S. 7A-306(c) is amended by deleting the words "The uniform costs set forth in this section are complete and exclusive, and in lieu of any and all other costs, fees, and commissions, except that the" and inserting in their place the word "The".

Sec. 10. G.S. 7A-307(a) as it appears in the 1981 Replacement Volume 1B of the General Statutes is amended by adding on line 2 between the comma and the word "the" "and in collections of personal property by affidavit,".

Sec. 11. G.S. 7A-307(a)(2) is amended by rewriting the first sentence as follows: "For support of the General Court of Justice, the sum of twenty-two dollars (\$22.00), plus an additional forty cents (40c) per one hundred dollars (\$100.00), or major fraction thereof, of the gross estate."

Sec. 12. G.S. 7A-307(a)(2) is amended by deleting the sixth sentence.

Sec. 13. G.S. 7A-307(a)(2) is amended by substituting the words and figures "five dollars (\$5.00)" for the words and figures "one dollar (\$1.00)".

Sec. 14. G.S. 7A-307(a) is amended by adding a new subdivision (3) as follows: "(3) For probate of a will without qualification of a personal representative, the clerk shall assess a facilities fee as provided in subdivision (1) of this subsection and shall assess for support of the General Court of Justice, the sum of twelve dollars (\$12.00)."

Sec. 15. G.S. 7A-307(b) is amended by substituting the words and figures "twenty-two dollars (\$22.00)" for the words and figures "eight dollars (\$8.00)" and by substituting the words and figures "twenty-five dollars (\$25.00)" for the words and figures "ten dollars (\$10.00)".

Sec. 16. G.S. 7A-307(c) is amended by deleting the words "The uniform costs set forth in this section are complete and exclusive, and in lieu of any and all other costs, fees, and commissions, except that the" and inserting in their place the word "The".

Sec. 17. G.S. 7A-307 is amended by adding a new subsection (b1) as follows:

"(b1) The clerk shall assess the following miscellaneous fees:

(1)	Filing a will with no probate - first page	\$ 1.00
	- each additional page or fraction thereof	.25
(2)	Issuing letters testamentary, per letter over five letters issued	1.00
(3)	Inventory of safe deposits of a decedent, per box, per day	15.00
(4)	Taking a deposition	5.00"

Sec. 18. G.S. 7A-308 is rewritten as follows:

"§ 7A-308. Miscellaneous fees and commissions. – (a) The following miscellaneous fees and commissions shall be collected by the clerk of superior court and remitted to the State for the support of the General Court of Justice:

(1)	Foreclosure under power of sale in deed of trust or mortgage Plus an additional sum of thirty cents (30c) per one hundred dollars (\$100.00), or major fraction thereof, of the final sale price shall be collected. In no case shall the additional sum exceed two hundred dollars	\$ 25.00 (\$200.00).
(2)	Proceeding supplemental to execution	20.00
(3)	Confession of judgment	15.00
(4)	Taking a deposition	5.00
(5)	Execution	15.00
(6)	Notice of resumption of maiden name	5.00
(7)	Taking an acknowledgment or administering an oath, or both, with or without seal, each certificate (except that oaths of office shall be administered to public officials without charge)	1.00
(8)	Bond, taking justification or approving	5.00
(9)	Certificate, under seal	2.00
(10)	Exemplification of records	5.00
(11)	Recording or docketing (including indexing) any document, per page or fraction thereof	4.00
(12)	Preparation of copies - first page	1.00
	- each additional page or fraction thereof	.25
(13)	Preparation of transcript of judgment	5.00
(14)	Substitution of trustee in deed of trust	5.00
(15)	Execution of passport application—the amount allowed by Federal Law	
(16)	On all funds placed with the clerk by virtue or color of his office, to be administered, invested, or administered in part and invested in part, a commission of five percent (5%), with a minimum fee of fifteen dollars (\$15.00) and a maximum fee of one thousand dollars (\$1,000). For purposes of assessing a commission, receipts are cumulative for the life of an account	
(17)	Criminal record search except if search is requested by an agency of the State or any of its political subdivisions or by an agency of the	

	United States or by a petitioner in a proceeding under Article 2 of General Statutes Chapter 20	5.00
(18)	Filing the affirmations, acknowledgements, agreements and resulting orders entered into under the provisions of G.S. 110-132 and G.S. 110-133.	4.00

(b) The fees and commissions set forth in this section are not chargeable when the service is performed as a part of the regular disposition of any action or special proceeding or the administration of an estate. When a transaction involves more than one of the services set forth in this section, only the greater service fee shall be charged."

Sec. 19. G.S. 7A-309 is rewritten as follows:

"§ 7A-309. Magistrate's special fees. – The following special fees shall be collected by the magistrate and remitted to the clerk of superior court for the use of the State in support of the General Court of Justice:

(1)	Performing marriage ceremony	\$10.00
(2)	Hearing petition for year's allowance to surviving spouse or child, issuing notices to commissioners, allotting the same, and making return	4.00
(3)	Taking a deposition	5.00
(4)	Proof of execution or acknowledgment of any instrument	1.00
(5)	Performing any other statutory function not incident to a civil or criminal action	1.00."

Sec. 20. G.S. 7A-314 is amended by adding a new subsection (f) to read as follows:

"(f) In a criminal case when a person who does not speak or understand the English language is an indigent defendant, a witness for an indigent defendant, or a witness for the State and the court appoints a language interpreter to assist that defendant or witness in the case, the reasonable fee for the interpreter's services, as set by the court, are payable from funds appropriated to the Administrative Office of the Courts."

Sec. 21. G.S. 28A-25-1(b) is amended by deleting the statutory reference "G.S. 7A-308(a)(11)" and by inserting in its place "G.S. 7A-307".

Part II. Secretary of State Fees and Taxes.

Sec. 22. G.S. 10-1 is amended by deleting the phrase "ten dollars (\$10.00)" and substituting the phrase "fifteen dollars (\$15.00)".

Sec. 23. G.S. 25-9-403(5) is amended by rewriting the first sentence to read:

"The uniform fee for filing and indexing and for stamping a copy furnished by the secured party to show the date and place of filing for an original financing statement or for a continuation statement is five dollars (\$5.00) for an approved statutory form statement as prescribed in G.S. 25-9-402 when printed on a standard-size form approved by the Secretary of State, and for all other statements, the fee is ten dollars (\$10.00)."

Sec. 24. G.S. 25-9-405(1) is amended by rewriting the last sentence to read:

"The uniform fee for filing, indexing, and furnishing filing data for a financing statement so indicating an assignment is five dollars (\$5.00) when submitted on a standard-size form approved by the Secretary of State, and for all other statements, the fee is ten dollars (\$10.00)."

Sec. 25. G.S. 25-9-405(2) is amended by rewriting the fifth sentence to read:

"The uniform fee for filing, indexing, and furnishing filing data about such a separate statement of assignment is five dollars (\$5.00) when submitted on a standard-size form approved by the Secretary of State, and for all other statements, the fee is ten dollars (\$10.00)."

Sec. 26. G.S. 25-9-406 is amended by rewriting the fifth sentence to read:

"The uniform fee for filing and noting such a statement of release is five dollars (\$5.00) when submitted on a standard-size form approved by the Secretary of State, and for all other statements, the fee is ten dollars (\$10.00)."

Sec. 27. G.S. 25-9-407(2) is amended by deleting the phrase "three dollars (\$3.00)" and substituting the phrase "five dollars (\$5.00)".

Sec. 28. G.S. 25-9-407(2) is further amended by adding a new sentence between the second and third sentences to read:

"Where the Uniform Commercial Code index has been automated, the filing officer shall issue a computer printout of the index entries for a particular debtor for a fee of five dollars (\$5.00)."

Sec. 29. G.S. 44-68.4(a)(1) and (2) are amended by deleting the phrase "two dollars (\$2.00)" in each subdivision and substituting the phrase "five dollars (\$5.00)".

Sec. 30. G.S. 44-68.4(a)(3) is amended by deleting the phrase "one dollar (\$1.00)" and substituting the phrase "five dollars (\$5.00)".

Sec. 31. G.S. 44-68.4(b) is rewritten to read:

"The fee for furnishing the certificate provided for in G.S. 44-68.3(d) in the office of the Secretary of State is five dollars (\$5.00). Where the federal tax lien index has been automated, the filing officer shall issue a computer printout of the index entries for a particular debtor for a fee of five dollars (\$5.00). The fee for furnishing copies provided for in G.S. 44-68.3(d) is one dollar (\$1.00) per page."

Sec. 32. G.S. 55-155(a)(1), (2), (3), (4), (5), (9), (10), (11), (12), (13), (14), (16), (17), (21), and (29) are each amended by deleting the phrase "\$5.00" and substituting the phrase "\$10.00".

Sec. 33. G.S. 55-155(a)(6) and (18) are each amended by deleting the phrase "\$3.00" and substituting the phrase "\$5.00".

Sec. 34. G.S. 55-155(a)(25) and (26) are each amended by deleting the phrase "\$2.00" and substituting the phrase "\$5.00".

Sec. 35. G.S. 55-155(a)(7) and (8) are each amended by deleting the phrase "\$1.00" and substituting the phrase "\$5.00".

Sec. 36. G.S. 55-156(a)(1), (2), (5), and (6) are each amended as follows:

(1) in each place where the phrase ".40" appears, that phrase is deleted and the phrase ".80" is substituted;

- (2) in each place where the phrase "\$40.00" appears, that phrase is deleted and the phrase "\$80.00" is substituted; and
- (3) in each place where the phrase "\$500.00" appears, that phrase is deleted and the phrase "\$1,000" is substituted.

Sec. 37. G.S. 55-155(a)(19) is repealed.

Sec. 38. G.S. 55-156(a)(3) and (4) are rewritten to read:

- "(3) Articles of amendment which do not include
an authorization to increase capital stock \$15.00
- (4) Articles of dissolution 20.00".

Sec. 39. G.S. 55A-77(a)(1), (2), (3), (4), (5), (6), (7), (11), (13), (16), and (17) are each amended by deleting the phrase "\$5.00" and substituting the phrase "\$10.00".

Sec. 40. G.S. 55A-77(a)(8) and (10) are each amended by deleting the phrase "\$3.00" and substituting the phrase "\$5.00".

Sec. 41. G.S. 55A-77(a)(9) is amended by deleting the phrase "\$1.00" and substituting "\$5.00".

Sec. 42. G.S. 55A-77(a)(12) is repealed.

Sec. 43. G.S. 55A-78(a) is amended by deleting the phrase "fifteen dollars (\$15.00)" and substituting the phrase "thirty dollars (\$30.00)".

Sec. 44. G.S. 55A-78(b) is amended by deleting the phrase "forty dollars (\$40.00)" and substituting the phrase "sixty-five dollars (\$65.00)".

Sec. 45. G.S. 78A-28(b) is rewritten to read:

"(b) Every person filing a registration statement shall pay a filing fee of one hundred dollars (\$100.00), plus a registration fee of one-tenth of one percent (1/10 of 1%) of the maximum aggregate offering price at which the registered securities are to be offered in this State, but the registration fee may not be less than twenty-five dollars (\$25.00) nor more than one thousand five hundred dollars (\$1,500). When a registration statement is withdrawn before the effective date or a pre-effective stop order is entered under G.S. 78A-29, the Administrator shall retain the filing fee. A registration statement relating to securities issued or to be issued by a mutual fund, open-end management company, or unit investment trust or relating to other redeemable securities, to be offered for a period in excess of one year, must be renewed annually by payment of a renewal fee of one hundred dollars (\$100.00) and by filing any documents or reports that the Administrator may by rule or order require."

Sec. 46. G.S. 78A-28(h) is amended by deleting from the first sentence the word "Every" and substituting the following:

"Except during the time a stop order is in effect under G.S. 78A-29, a registration statement relating to securities issued or to be issued by a mutual fund, open-end management company, or unit investment trust or relating to other redeemable securities, to be offered for a period in excess of one year, expires on December 31 of each year or some other date not more than one year from its effective date as the Administrator may by rule or order provide. Every other".

Sec. 47. G.S. 78A-28(j) is amended by rewriting the last sentence to read: "Every person filing such an amendment shall pay a registration fee calculated in the

manner specified in subsection (b) and a filing fee of fifty dollars (\$50.00) with respect to the additional securities proposed to be offered."

Sec. 48. The first sentence of G.S. 78A-37(b) is rewritten to read: "Every applicant for initial or renewal registration shall pay a filing fee of one hundred fifty dollars (\$150.00) in the case of a dealer and twenty-five dollars (\$25.00) in the case of a salesman."

Sec. 49. The last sentence of G.S. 80-3 is amended by deleting the phrase "ten dollars (\$10.00)" and substituting the phrase "twenty-five dollars (\$25.00)".

Sec. 50. G.S. 120-47.3 is amended by deleting in each place it appears the phrase "fifty dollars (\$50.00)" and substituting the phrase "seventy-five dollars (\$75.00)".

Sec. 51. G.S. 120-47.2(a) is amended by adding the following new language at the end:

"If a corporation or partnership is employed or retained as a legislative counsel, and more than one partner, employee or officer of the corporation or partnership, shall act as a legislative agent on behalf of the client, then the additional individuals shall be separately listed on the registration under subsection (b), and a fee in the same amount as imposed by G.S. 120-47.3 shall be due for each such individual in excess of one."

Part III. Inspection Fee Increases.

Sec. 52. G.S. 95-105 is rewritten to read:

"§ 95-105. Elevator, escalator, dumbwaiter, and special equipment inspection fees.
– The Department of Labor shall assess and collect the following inspection service fees for the installation and alteration of elevators, escalators, dumbwaiters that are not installed or altered in restaurants, and special equipment based on the cost of installation or alteration:

Cost of Installation or Alteration	UnitFee
\$0	\$80
0,001	120
30,001	170
50,001	215
80,001	235
Over100,000	285.

An additional fee of seventy-five dollars (\$75.00) shall be assessed for each follow-up inspection of a new installation required subsequent to the original inspection.

The Department of Labor shall assess and collect a fee of ten dollars (\$10.00) for the periodic inspection of special equipment and shall assess and collect the following fees for the periodic inspection of elevators, escalators, and dumbwaiters:

Number of Building Floors	
1- 5 Floors	\$13
6-10 Floors	20
11-15 Floors	35
16- Floors and over	45."

Sec. 53. G.S. 95-106 is rewritten to read:

"§ 95-106. Amusement, aerial tramway, and inclined railroad inspection fees. – The Department of Labor shall assess and collect the following inspection service fees for annual inspections for each location within the State of amusement devices, aerial passenger tramways, and inclined railroads:

Type Inspection	Unit Fee
Amusement Devices	\$ 12
Gondolas, Chairlifts, and Inclined Railroads	137
J- or T-Bars	62
Rope Tows	31."

Part IV. Road Tax Registration Changes; Private Passenger Vehicle Registration Fee Increase.

Sec. 54. Part 7 of Article 3 of Chapter 20 of the General Statutes is amended by adding a new section immediately following G.S. 20-88 to read:

"§ 20-88A. Registration of certain vehicles for road tax. – Owners of passenger vehicles with seating capacity for more than twenty passengers, road tractors, tractor trucks, or trucks with more than two axles shall, in addition to all other registration fees imposed by this Article, pay a registration fee of ten dollars (\$10.00) to register for purposes of the road tax imposed by Article 36B of Chapter 105. This fee shall be paid to the Commissioner at the same time as the fees imposed by G.S. 20-87 or G.S. 20-88 are paid. All vehicles licensed for more than thirty-two thousand pounds are presumed to have more than two axles. When registering a vehicle under this section, the owner of a vehicle that is leased to another shall report the name of the lessee to the Commissioner.

The Commissioner shall report all vehicles registered under this section to the Secretary of Revenue. No registration plate or registration renewal sticker shall be issued for a motor vehicle required to be registered under this section if the owner or lessee of that vehicle is not in compliance with Articles 36A or 36B of Chapter 105. The registration plate or registration renewal sticker issued for a motor vehicle under G.S. 20-87 or 20-88 signifies registration in accordance with this section. The Commissioner may revoke the registration plate for a motor vehicle registered under this section whenever the owner or lessee of the vehicle fails to comply with Articles 36A or 36B of Chapter 105.

This section does not apply to vehicles owned by the United States, the State or its political subdivisions, special mobile equipment as defined in G.S. 20-4.01(44), and vehicles owned by nonprofit religious, educational, charitable, or benevolent organizations."

Sec. 55. G.S. 105-449.37 is rewritten to read:

"§ 105-449.37. Definitions; tax liability. – (a) As used in this Article unless the context clearly requires otherwise:

- (1) 'motor carrier' means every person, firm, or corporation who operates or causes to be operated on any highway in this State a passenger vehicle with seating capacity for more than 20 passengers, a road tractor, a tractor truck, or a truck with more than two axles. The term

does not include the United States, the State or its political subdivisions, operators of special mobile equipment as defined in G.S. 20-4.01(44), or nonprofit religious, educational, charitable or benevolent organizations;

- (2) 'operations' means operations of all vehicles described in subdivision (1), whether loaded or empty and whether or not operated for compensation; and
- (3) 'Secretary' means the Secretary of Revenue.

(b) A motor carrier who operates on one or more days of a quarter is liable for the tax imposed by this Article for that quarter and is entitled to the credits allowed for that quarter."

Sec. 56. G.S. 105-449.47 is rewritten to read:

"§ 105-449.47. Registration of vehicles. – A motor carrier may not operate or cause to be operated in this State any vehicle listed in the definition of motor carrier unless the motor carrier has registered the vehicle for purposes of the tax imposed by this Article with the Commissioner of Motor Vehicles or the Secretary, as appropriate. All vehicles required to be registered under this section that are registered in this State under G.S. 20-87 or G.S. 20-88 shall be registered with the Commissioner of Motor Vehicles pursuant to G.S. 20-88A for the purposes of the tax imposed by this Article. All other vehicles required to be registered under this section shall be registered with the Secretary.

Upon application and payment of a fee of ten dollars (\$10.00), the Secretary shall issue a registration card and identification marker for a vehicle. The registration card shall be carried in the vehicle for which it was issued when the vehicle is in this State. The identification marker shall be clearly displayed at all times and shall be affixed to the vehicle for which it was issued in the place and manner designated by the Secretary. Every identification marker issued shall bear a number that corresponds to the number on the registration card issued for the same vehicle. Registration cards and identification markers required by this section shall be issued on a calendar year basis. The Secretary may renew registration cards and identification markers without issuing new cards and markers. All identification markers issued by the Secretary remain the property of the State."

Sec. 57. G.S. 105-449.48 is rewritten to read:

"§ 105-449.48. Fees paid to Highway Fund. – All fees collected under this Article shall be paid to the Highway Fund."

Sec. 58. The first sentence of G.S. 105-449.49 is amended by deleting the phrase "a registration card and identification marker" and inserting in lieu thereof the phrase "registering the vehicle in accordance with G.S. 105-449.47".

Sec. 59. The first sentence of G.S. 105-449.51 is rewritten to read:

"Any person who operates or causes to be operated on a highway in this State a motor vehicle that does not carry a registration card as required by this Article, does not properly display an identification marker as required by this Article, or is not registered in accordance with this Article is guilty of a misdemeanor and, upon conviction thereof,

shall be fined no less than ten dollars (\$10.00) nor more than two hundred dollars (\$200.00)."

Sec. 60. The first sentence of the second paragraph of G.S. 105-449.52 is amended by deleting the phrase "a proper registration card and identification marker being applied for" and inserting in lieu thereof the phrase "registering or making an application for registration in accordance with this Article".

Sec. 61. G.S. 20-87(5) is amended by deleting the figure "\$13.00" and inserting in lieu thereof the figure "\$17.00", and by deleting the figure "16.00" and inserting in lieu thereof the figure "20.00".

Part V. Income Taxes.

Sec. 62. Article 1 of Chapter 105 is amended by adding a new section immediately after G.S. 105-2 to read:

"§ 105-2.1. Internal Revenue Code definition. – As used in this Article, the term 'Code' means the Internal Revenue Code as enacted as of April 1, 1983, and includes any provisions enacted as of that date which become effective after that date."

Sec. 63. G.S. 105-3(5) is amended as follows:

- (1) by deleting the phrase "section 401(a) of the United States Internal Revenue Code" and inserting in lieu thereof the phrase "26 U.S.C. §401(a)";
- (2) by deleting the phrase "section 403(a) or 403(b) of such Code" and inserting in lieu thereof the phrase "26 U.S.C. §403(a) or §403(b)";
- (3) by deleting the phrase "section 401(c)(1) of the United States Internal Revenue Code" and inserting in lieu thereof the phrase "26 U.S.C. §401(c)(1)"; and
- (4) by deleting the phrase "section 404 of such Code" and inserting in lieu thereof the phrase "26 U.S.C. §404".

Sec. 64. G.S. 105-3(6) is amended as follows:

- (1) by deleting the phrase "section 219 or 220 of the Internal Revenue Code of 1954 as amended" and inserting in lieu thereof the phrase "26 U.S.C. §219 or §220";
- (2) by deleting the phrase "section 402(a)(5), 403(a)(4), 408(d)(3), or 409(b)(3)(C) of such Code" and inserting in lieu thereof the phrase "26 U.S.C. §§402(a)(5), 403(a)(4), 408(d)(3), or 409(b)(3)(C)"; and
- (3) by deleting the phrase "section 219 or 220 of such Code" and inserting in lieu thereof the phrase "26 U.S.C. §219 or §220".

Sec. 65. The last sentence of G.S. 105-9.1 is rewritten to read:

"If the personal representative makes this election, the provisions of the Code pertaining to an optional valuation date apply."

Sec. 66. G.S. 105-114 is amended by inserting a new paragraph between the first and second paragraphs of that section to read:

"As used in this Article, the term 'Code' means the Internal Revenue Code as enacted as of April 1, 1983, and includes any provisions enacted as of that date which become effective after that date."

Sec. 67. The third paragraph of G.S. 105-125 and the third paragraph of G.S. 105-212 are each amended by deleting the phrase "the provisions of United States Code Annotated Title 26, section 851," and inserting in lieu thereof the phrase "section 851 of the Code"; and are further amended by deleting the phrase "United States Code Annotated Title 26, section 856," and inserting in lieu thereof the phrase "section 856 of the Code".

Sec. 68. G.S. 105-130.2 is amended by inserting a new subdivision (1) to read as follows and by renumbering the current subdivisions accordingly:

"(1) 'Code' means the Internal Revenue Code as enacted as of April 1, 1983, and includes any provisions enacted as of that date which become effective after that date."

Sec. 69. The first paragraph of G.S. 105-130.3 is amended by deleting the phrase "Internal Revenue Code in effect on January 1, 1981," and inserting in lieu thereof the word "Code".

Sec. 70. G.S. 105-130.5(a)(8), 105-130.5(b)(6), and 105-130.5(b)(12) are each amended by deleting the phrase "for federal income tax purposes" and inserting in lieu thereof the phrase "under the Code".

Sec. 71. G.S. 105-130.5(b)(11) is rewritten to read:

"(11) The amount by which a deduction for an ordinary and necessary business expense was required to be reduced under the Code for federal tax purposes or the amount of such a deduction that was not allowed under the Code because the corporation claimed a federal tax credit against its federal income tax liability for the income year in lieu of a deduction."

Sec. 72. G.S. 105-130.5(b)(14) is amended by inserting between the words "reduced" and "for" the phrase "under the Code"; and is further amended by deleting the words "federal law" and inserting in lieu thereof the words "the Code".

Sec. 73. G.S. 105-130.5(d) is amended by deleting the phrase "for federal income tax purposes under the provisions of section 337 of the Federal Internal Revenue Code of 1954, including amendments, if any" and inserting in lieu thereof the phrase "under section 337 of the Code".

Sec. 74. G.S. 105-130.12 is amended by deleting the phrase "the provisions of United States Code Annotated Title 26, §851," and inserting in lieu thereof the phrase "section 851 of the Code"; and is further amended by deleting the phrase "the provisions of United States Code Annotated Title 26, §856," and inserting in lieu thereof the phrase "section 856 of the Code".

Sec. 75. G.S. 105-135(15) is rewritten to read:

"(15) The word 'Code' means the Internal Revenue Code as enacted as of April 1, 1983, and includes any provisions enacted as of that date which become effective after that date."

Sec. 76. G.S. 105-141(b)(21) is amended by deleting the phrase "Internal Revenue Code of 1954 as amended" and inserting in lieu thereof the phrase "1976 Tax Reform Act".

Sec. 77. The third paragraph of G.S. 105-147(16) is amended by deleting the phrase "for purposes of the Internal Revenue Code of 1954, as amended, or regulations promulgated pursuant thereto" and inserting in lieu thereof the phrase "under the Code".

Sec. 78. G.S. 105-147(20) is amended as follows:

- (1) by inserting between the word "Service" and the semicolon following that word, the phrase ", to the extent allowed under the Code"; and
- (2) by changing the last semicolon in that subdivision to a period and deleting the remainder of the subdivision.

Sec. 79. G.S. 105-163.1(11) is rewritten to read:

"(11) 'Code' means the Internal Revenue Code as enacted as of April 1, 1983, and includes any provisions enacted as of that date which become effective after that date."

Sec. 80. G.S. 105-212 is amended by adding a new paragraph at the end of that section to read:

"As used in this section, the term 'Code' means the Internal Revenue Code as enacted as of April 1, 1983, and includes any provisions enacted as of that date which become effective after that date."

Sec. 81. The third paragraph of G.S. 105-228.5 is amended by deleting the phrase "United States Internal Revenue Code as now or hereafter amended" and inserting in lieu thereof the phrase "Code as defined in G.S. 105-135(15)".

Sec. 82. The statutes listed below are amended by deleting the following phrases:

- (1) "Internal Revenue Code";
- (2) "United States Internal Revenue Code";
- (3) "Federal Internal Revenue Code of 1954";
- (4) "federal Internal Revenue Code";
- (5) "1954 Internal Revenue Code";
- (6) "Internal Revenue Code of 1954 as amended";
- (7) "Internal Revenue Code of 1954, as amended";
- (8) "Internal Revenue Code of 1954, as amended,";
- (9) "Internal Revenue Code of 1954, or subsequent acts and amendments"; or
- (10) "Internal Revenue Code of 1954, or subsequent acts and amendments," each time they appear in the listed statutes and inserting in lieu thereof the word "Code":

G.S. 105-3(6)

G.S. 105-7

G.S. 105-7.1

G.S. 105-130.2(3)

G.S. 105-130.5(a)(3)

G.S. 105-130.5(a)(5)

G.S. 105-130.5(a)(6)

G.S. 105-130.5(a)(7)

G.S. 105-130.5(b)(7)

G.S. 105-130.5(b)(8)

G.S. 105-130.5(b)(9)

G.S. 105-130.5(b)(13)d.2.

G.S. 105-130.5(b)(13)d.5.

G.S. 105-130.5(e)
G.S. 105-130.9(1)
G.S. 105-130.13
G.S. 105-130.15(b)(1)
G.S. 105-135(5)
G.S. 105-141(a)(20)
G.S. 105-141(b)(9)a.
G.S. 105-141(b)(10)
G.S. 105-141(b)(11)
G.S. 105-141(b)(17)
G.S. 105-141(b)(19)
G.S. 105-141(b)(22)
G.S. 105-141(b)(23)
G.S. 105-141(b)(26)d.
G.S. 105-141(b)(27)
G.S. 105-141.2
G.S. 105-142(b)(1)
G.S. 105-142(d)
G.S. 105-142(e)
G.S. 105-142(f)(6)
G.S. 105-144(b)
G.S. 105-144(c)(3)
G.S. 105-144.1(g)
G.S. 105-144.2(d)(2)b.
G.S. 105-144.2(i)
G.S. 105-145(e)
G.S. 105-147(1)c.
G.S. 105-147(1)e.
G.S. 105-147(7)
G.S. 105-147(8)
G.S. 105-147(12)
G.S. 105-147(13)c.
G.S. 105-147(20)
G.S. 105-161(d)(4)a.
G.S. 105-161(f)(1)c.
G.S. 105-163(c)
G.S. 105-163.1(6)e.1.
G.S. 105-163.1(6)e.2.
G.S. 105-212

Sec. 83. G.S. 105-130.5(a) is amended by adding a new subdivision to read:

"(11) The amount by which the percentage depletion allowance allowed by Sections 613 and 613A of the Code for mines, oil and gas wells, and other natural deposits exceeds the cost depletion allowance for these items under the Code, except as otherwise provided herein. This subdivision does not apply to depletion deductions for

clay, gravel, phosphate rock, lime, shells, stone, sand, feldspar, gemstones, mica, talc, lithium compounds, tungsten, coal, peat, olivine, pyrophyllite, and other solid minerals or rare earths extracted from the soil or waters of this State. Corporations required to apportion income to North Carolina shall first add to federal taxable income the amount of all percentage depletion in excess of cost depletion that was subtracted from the corporation's gross income in computing its federal income taxes and shall then subtract from the taxable income apportioned to North Carolina the amount by which the percentage depletion allowance allowed by Sections 613 and 613A of the Code for solid minerals or rare earths extracted from the soil or waters of this State exceeds the cost depletion allowance for these items."

Sec. 84. G.S. 105-147(12) is rewritten to read:

"(12) Except as provided in this subdivision, an allowance for depreciation and obsolescence of property and an allowance for depletion of mines, oil and gas wells, other natural deposits, and timber to the extent allowed under the Code. When the basis of property differs for State and federal purposes, this difference shall be taken into consideration in determining the depreciation, obsolescence, or depletion allowed under this subdivision.

A taxpayer may deduct as depletion only the amount allowed as a cost depletion allowance for mines, oil and gas wells, and other natural deposits under the Code instead of the amount allowed as a percentage depletion allowance for these items under the Code. This paragraph does not apply to depletion deductions for clay, gravel, phosphate rock, lime, shells, stone, sand, feldspar, gemstones, mica, talc, lithium compounds, tungsten, coal, peat, olivine, pyrophyllite, and other solid minerals or rare earths extracted from the soil or waters of this State."

Sec. 85. G.S. 105-141(b)(28) is repealed.

Sec. 86. Article 4B of Chapter 105 is rewritten to read:

"Article 4B.

"Filing of Declarations of Estimated Income Tax and Installment Payments of Estimated Income Tax by Corporations.

"§ 105-163.25. Definitions. – As used in this Article, unless the context requires otherwise:

- (1) 'Corporation' means a corporation that has a reasonably estimated tax liability of at least five thousand dollars (\$5,000). The term 'corporation' includes joint-stock companies or associations that meet these requirements.
- (2) 'Estimated tax' means the amount of income tax the corporation estimates as the amount imposed by Article 4 for the taxable year. The appropriate percentage of estimated tax payable during the taxable year shall be determined by the following table:

For Taxable Years Beginning On and After:	Percentages
June 25, 1983, and before June 25, 1984	25%
June 25, 1984, and before June 25, 1985	50%
June 25, 1985, and before June 25, 1986	75%
June 25, 1986	100%

- (3) 'Fiscal year' means an accounting period of 12 months ending on the last day of any month other than December.
- (4) 'Secretary' means the Secretary of Revenue.
- (5) 'Taxable year' means the calendar year or fiscal year used as a basis to determine net income under Article 4. If no fiscal year has been established, 'fiscal year' means the calendar year. In the case of a return made for a fractional part of the year under Article 4, or under rules prescribed by the Secretary, 'taxable year' means the period for which the return is made.

"§ 105-163.26. Declarations of estimated income tax required. – (a) Declaration Required. Every corporation subject to taxation under Article 4 shall submit a declaration of estimated tax to the Secretary. This declaration is due at the time established in G.S. 105-163.27, and payment of the estimated tax is due at the time and in the manner prescribed in that section.

(b) Content. In the declaration of estimated tax, the corporation shall state its estimated total net income from all sources for the taxable year, the proportion of its total net income allocable to this State, its estimated tax, and any other information required by the Secretary.

(c) Amendments to Declaration. Under rules prescribed by the Secretary, a corporation may amend a declaration of estimated tax.

"§ 105-163.27. Time for submitting declaration; time and method for paying estimated tax. – (a) Due Dates of Declarations. Declarations of estimated tax are due at the same time as the corporation's first installment payment. Installment payments are due as follows:

- (1) If, before the 1st day of the 4th month of the taxable year, the corporation's estimated tax equals or exceeds five thousand dollars (\$5,000), the corporation shall pay the estimated tax in four equal installments on or before the 15th day of the 4th, 6th, 9th and 12th months of the taxable year.
- (2) If, after the last day of the 3rd month and before the 1st day of the 6th month of the taxable year, the corporation's estimated tax equals or exceeds five thousand dollars (\$5,000), the corporation shall pay the estimated tax in three equal installments on or before the 15th day of the 6th, 9th and 12th months of the taxable year.
- (3) If, after the last day of the 5th month and before the 1st day of the 9th month of the taxable year, the corporation's estimated tax equals or exceeds five thousand dollars (\$5,000), the corporation shall pay the estimated tax in two equal installments on or before the 15th day of the 9th and 12th months.
- (4) If, after the last day of the 8th month and before the 1st day of the 12th month of the taxable year, the corporation's estimated tax equals or exceeds five thousand dollars (\$5,000), the corporation shall pay the estimated tax on or before the 15th day of the 12th month of the taxable year.

(b) Payment of Estimated Tax When Declaration Amended. When a corporation submits an amended declaration after making one or more installment payments on its estimated tax, the amount of each remaining installment shall be the amount that would have been payable if the estimate in the amended declaration was the original estimate, increased or decreased as appropriate by the amount computed by dividing:

- (1) The absolute value of the difference between:
 - a. The amount paid and
 - b. The amount that would have been paid if the estimate in the amended declaration was the original estimate by
- (2) The number of remaining installments.

(c) Short Taxable Year. Payment of estimated tax for taxable years of less than 12 months shall be made in accordance with rules promulgated by the Secretary.

"§ 105-163.28. Penalty for underpayment. – (a) Except as provided in subsection (d), if the amount of estimated tax paid by a corporation during the taxable year is less than the amount of tax imposed upon the corporation under Article 4 for the taxable year, the corporation shall be assessed an additional tax as a penalty in an amount determined by multiplying the amount of the underpayment as determined under subsection (b), for the period of the underpayment as determined under subsection (c), by the percentage established as the rate of interest on assessments under G.S. 105-241.1(i) that is in effect for the period of the underpayment.

(b) The amount of the underpayment shall be the difference between:

- (1) the amount of the installment the corporation would have been required to pay if the corporation's estimated tax equalled eighty percent (80%) of the tax imposed under Article 4 for the taxable year, assuming the same schedule of installments, or eighty percent (80%) of the tax imposed for the taxable year if the corporation made no installment payments; and
- (2) the amount, if any, of the corresponding installment timely paid by the corporation.

(c) The period of the underpayment shall run from the date the installment was required to be paid to the earlier of:

- (1) the 15th day of the 3rd month following the close of the taxable year, or
- (2) with respect to any portion of the underpayment, the date on which the portion is paid. An installment payment of estimated tax shall be considered a payment of any previous underpayment only to the extent the payment exceeds the amount of the installment determined under subdivision (1) of subsection (b) for that installment date.

(d) The penalty for underpayment shall not be imposed if the total amount of all payments of estimated tax made on or before the last date prescribed for the payment of the installments equals or exceeds the amount that would have been required to be paid on or before that date if the estimated tax was equal to the least of:

- (1) the tax shown on the return of the corporation for the preceding taxable year, if the corporation filed a return for the preceding taxable year and the preceding year was a taxable year of 12 months;
- (2) an amount equal to the tax computed at the rates applicable to the taxable year but otherwise on the basis of the facts shown on the return of the corporation for, and the law applicable to, the preceding taxable year; or
- (3) an amount equal to eighty percent (80%) of the tax for the taxable year computed by placing on an annualized basis the taxable income:
 - a. for the first three months of the taxable year, in the case of the installment required to be paid in the 4th month;
 - b. for the first three months or for the first five months of the taxable year, in the case of the installment required to be paid in the 6th month;
 - c. for the first six months or for the first eight months of the taxable year, in the case of the installment required to be paid in the 9th month; and
 - d. for the first nine months or for the first 11 months of the taxable year, in the case of the installment required to be paid in the 12th month of the taxable year.
- (4) For purposes of this subdivision, the taxable income shall be placed on an annualized basis by multiplying by 12 the taxable income referred to in the preceding sentence, and dividing the resulting amount by the number of months in the taxable year (3, 5, 6, 8, 9, or 11 as the case may be) referred to in that sentence.

"§ 105-163.29. Filing of declarations and other returns. – The declarations, amended declarations, or any information returns required under the provisions of this Article from any corporation shall be signed by its president, vice-president, treasurer, assistant treasurer, secretary, or assistant secretary. If a receiver, trustee in bankruptcy, or assignee, by order of a court of competent jurisdiction or by operation of law or otherwise, has possession of or holds title to all or substantially all of the property or business of a corporation, whether or not the property or business is being operated, the receiver, trustee, or assignee shall make and sign the declarations, amended declarations, or any information returns for the corporation in the same manner and form as required of the corporation.

"§ 105-163.30. Overpayment refunded. – Any overpayment of estimated tax shall be credited to the taxpayer and applied to the tax imposed upon the taxpayer by Article 4. The Secretary shall not refund any overpayment before the corporation files its annual return. If, upon examining the annual return, the Secretary finds that the estimated tax paid by the corporation exceeds the amount of tax imposed upon the corporation under Article 4, the Secretary shall refund the amount of the overpayment in accordance with the provisions of Article 9.

"§ 105-163.31. Willful failure to pay estimated tax. – Any person required by this Article to pay any estimated tax who willfully fails to pay the estimated tax at the time

or times required by law or rules shall, in addition to other penalties provided by law, be guilty of a misdemeanor and, upon conviction thereof, shall be punishable by a fine not to exceed five hundred dollars (\$500.00) or by imprisonment not to exceed six months, or both."

Part VI. Sales and Use Taxes; Salvage Vehicle Changes.

Sec. 87. The first sentence of G.S. 105-164.3(15) is amended by inserting between the words "lease," and "or" the phrase "license to use or consume,".

Sec. 88. G.S. 105-164.3(20) is amended by adding the following at the end of the subdivision:

"The term includes all 'canned' or prewritten computer programs, either in the form of written procedures or in the form of storage media on which or in which the program is recorded, held, or existing for general or repeated sale, lease, or license to use or consume. The term does not include the design, development, writing, translation, fabrication, lease, license to use or consume, or transfer for a consideration of title or possession of a custom computer program, other than a basic operational program, either in the form of written procedures or in the form of storage media on which or in which the program is recorded, or any required documentation or manuals designed to facilitate the use of the custom computer program.

As used in this subdivision:

- a. 'Basic operational program' or 'control program' means a computer program that is fundamental and necessary to the functioning of a computer. A basic operational program is that part of an operating system, including supervisors, monitors, executives, and control or master programs, which consists of the control program elements of that system. A control or master program, as opposed to a processing program, controls the operation of a computer by managing the allocation of all system resources, including the central processing unit, main storage, input/output devices, and processing programs. A processing program is used to develop and implement the specific applications the computer is to perform.
- b. 'Computer program' means the complete plan for the solution of a problem, such as the complete sequence of automatic data-processing equipment instructions necessary to solve a problem, and includes both systems and application programs and subdivisions, such as assemblers, compliers, routines, generators, and utility programs.
- c. 'Custom computer program' means a computer program prepared to the special order of the customer. Custom computer programs include one of the following elements:
 1. Preparation or selection of the programs for the customer's use requires an analysis of the customer's requirements by the vendor; or
 2. The program requires adaptation by the vendor to be used in a particular make and model of computer utilizing a specified output device.

d. 'Storage media' means punched cards, tapes, disks, diskettes, or drums."

Sec. 89. G.S. 105-164.4(1) is amended as follows:

- (1) by deleting the phrase "one hundred twenty dollars (\$120.00)" in the first paragraph of that subdivision and inserting in lieu thereof the phrase "three hundred dollars (\$300.00)"; and
- (2) by deleting the third paragraph of that subdivision and inserting the following paragraphs in lieu thereof:

"Notwithstanding G.S. 105-164.3(16), the sales price of a motor vehicle is the gross sales price of the motor vehicle less any allowance given for a motor vehicle taken in trade as part of the consideration for the purchased motor vehicle.

The tax levied under this section applies to all retail sales of motor vehicles, regardless whether the seller is engaged in business as a retailer of motor vehicles and regardless whether a tax has previously been paid under this Article with respect to the vehicle. Purchasers of motor vehicles from sellers who are not retailers are liable for payment of the tax. These purchasers shall pay the tax to the Commissioner of Motor Vehicles when applying for a certificate of title, registration, or registration plate for the vehicle. The sales price of a motor vehicle purchased from a seller who is not a retailer is considered to be either the standard value for the year, make, and model of that vehicle as established in schedules of value adopted by the Secretary or the amount paid by the purchaser for that vehicle, whichever is greater, provided the seller does not take a motor vehicle in trade as part of the purchase price. If the seller takes a motor vehicle in trade as part of the purchase price, the sales price of the motor vehicle sold is considered to be the difference in the standard value of the sold vehicle and the traded-in vehicle or the net amount paid by the purchaser, whichever is greater.

Every retail dealer of motor vehicles who sells a motor vehicle shall, when applying for a transfer of title for that vehicle, certify to the Commissioner of Motor Vehicles that he has collected the sales tax due on the sale of that vehicle and will remit the tax to the Secretary, and shall report the following information to the Commissioner:

- (1) his name;
- (2) the name of the purchaser; and
- (3) the make and serial number of the vehicle sold.

The Commissioner of Motor Vehicles shall prepare forms to be used by retailers to make the certification and report required by this subsection. A retail dealer of motor vehicles who transfers a motor vehicle to another person by means other than a retail sale shall state on the certification form that no tax is due on the transfer of the motor vehicle because the transfer is not a retail sale.

No certificate of title, registration, or registration plate, shall be issued for any motor vehicle transferred pursuant to a retail sale unless the tax levied under this section is paid when application is made for transfer of title or the retailer who sold the vehicle makes the required certification and report when applying for transfer of title. The Commissioner of Motor Vehicles shall remit taxes collected by him under this subsection to the Secretary.

Persons who lease or rent motor vehicles shall collect and remit the tax imposed by this Article on the separate retail sale of a motor vehicle in addition to the tax imposed on the proceeds from the lease or rental of the motor vehicle."

Sec. 90. G.S. 105-164.6(3a) is amended as follows:

(1) by rewriting the first two sentences of that subdivision to read:

"Every person, firm, or corporation that purchases or acquires a motor vehicle shall pay a tax at the rate of two percent (2%) of the sales or purchase price of the vehicle, as determined in accordance with G.S. 105-164.4(1), not to exceed three hundred dollars (\$300.00) per vehicle. This tax shall be paid to the Commissioner of Motor Vehicles when applying for a certificate of title or registration plate for the vehicle. A purchaser who furnishes to the Commissioner of Motor Vehicles a certificate from a retailer of motor vehicles engaged in business in this State stating that the purchaser has paid the tax levied on the vehicle by this Article to the retailer is relieved of liability for the tax.";

(2) by adding a new sentence at the end of the first paragraph to read: "The Commissioner of Motor Vehicles shall remit use taxes collected by him under this subdivision to the Secretary."; and

(3) by deleting the second paragraph of the subdivision and inserting the following paragraphs in lieu thereof:

"The tax levied under this section applies to all owners of motor vehicles, regardless whether the owner purchased or acquired the vehicle from a retailer of motor vehicles and regardless whether a tax has previously been paid under this Article with respect to the vehicle. The sales price of a motor vehicle acquired from a person who is not a retailer shall be determined in accordance with G.S. 105-164.4(1).

Persons who lease or rent motor vehicles shall collect and remit the tax imposed by this Article on the separate retail sale of a motor vehicle in addition to the tax imposed on the proceeds from the lease or rental of the motor vehicle."

Sec. 91. G.S. 105-164.13(16) is amended by inserting after the word "articles" the first time and the last time it appears in that subdivision the phrase "other than motor vehicles".

Sec. 92. G.S. 105-164.13(32) is amended by adding a new sentence at the end thereof to read:

"For sales made by a seller who is not a retailer, this exemption applies if the purchaser furnishes the Secretary an affidavit containing the information otherwise required from a retailer within 45 days of the date of the sale."

Sec. 93. G.S. 105-164.4(3) is rewritten to read:

"(3) Operators of hotels, motels, tourist homes, tourist camps, and similar type businesses and persons who rent private residences and cottages to transients are considered retailers under this Article. There is levied upon every such retailer a tax of three percent (3%) of the gross receipts derived from the rental of any room or rooms, lodgings, or accommodations furnished to transients for a consideration. This tax does not apply to any private residence or cottage that is rented for less than 15 days in a calendar year or to any room, lodging, or accommodation supplied to the same person for a period of 90 or more continuous days.

As used in this subdivision, the term 'persons who rent to transients' means (i) owners of private residences and cottages who rent to transients and (ii) rental agents, including 'real estate brokers' as defined in G.S. 93A-2, who rent private residences and cottages to transients on behalf of the owners. If a rental agent is liable for the tax imposed by this subdivision, the owner is not liable."

Sec. 94. G.S. 20-109.1 is amended as follows:

(1) by adding a new sentence at the end of subsection (d) to read:

"In addition to these criminal penalties, any person who violates this section is subject to a civil penalty of up to one hundred dollars (\$100.00), to be imposed in the discretion of the Commissioner."; and

(2) by adding a new subsection to read:

"(e) The Commissioner shall charge a fee of ten dollars (\$10.00) for issuing a title or forms as required by this section."

Sec. 95. G.S. 105-164.44A is rewritten to read:

"§ 105-164.44A. Tax on motor vehicle items transferred to Highway Fund. – Sales and use taxes collected on motor vehicle items and accessories shall be transferred from the General Fund to the Highway Fund as follows:

On a quarterly basis during the fiscal year ending June 30, 1984, the State Treasurer shall transfer from the General Fund to the Highway Fund the amount of twenty-five million eight hundred thousand dollars (\$25,800,000), which represents fifteen percent (15%) of the estimated 1983-84 fiscal year sales and use tax collections from motor vehicles, motor vehicle parts, supplies, and accessories, and other transportation items. The quarterly transfers required by this section shall be made during September, December, March, and June of the fiscal year."

Part VII. Certificate-of-Need Fees.

Sec. 96. G.S. 131-177 is amended as follows:

(1) by changing the period at the end of subdivision (9) to a semicolon and adding the word "and"; and
(2) by adding a new subdivision to read:

"(10) Establish and collect fees for submitting applications for certificates-of-need, which fees shall be based on the total cost of the project for which the applicant is applying. This fee may not exceed fifteen thousand dollars (\$15,000) and may not be less than four hundred dollars (\$400.00)."

Sec. 97. G.S. 131-180 is amended by adding a new subsection to read:

"(c) All fees established by the Department for submitting an application for a certificate-of-need are due when the application is submitted. These fees are not refundable, regardless whether a certificate-of-need is issued."

Part VIII. Video Game Privilege License Tax.

Sec. 98. G.S. 105-66(b) is rewritten to read:

"The tax imposed under this section does not apply to machines and other devices licensed under G.S. 105-64, 105-65, or 105- 66.1."

Sec. 99. Article 2 of Chapter 105 is amended by adding a new section to read:

"§ 105-66.1. Electronic video games. – (a) Every person, firm, or corporation engaged in the business of owning or operating machines that play electronic video games when a coin or other thing of value is deposited in the machine shall obtain from the Secretary of Revenue a statewide license for each machine owned or operated and shall pay a tax of fifteen dollars (\$15.00) for each license. An application for a license shall include the serial number of the machine operated. The licensee shall attach the license to the machine in a conspicuous place. No person may allow an unlicensed video game machine in a place of business occupied by that person. Licenses issued under this section are not transferable from one machine to another. The Secretary may seize any machine not licensed in accordance with this section and may hold the machine until it is duly licensed. All machines licensed under this section shall have a counter that records the number of games played or the amount of money deposited in the machine, or both.

(b) As used in this section, a person, firm, or corporation is 'engaged in the business of owning an electronic video game machine' if he owns the machine and locates it in his own place of business; and a person, firm, or corporation is 'engaged in the business of operating an electronic video game machine' if he locates, exhibits, displays, or permits to be exhibited or displayed an electronic video game machine in a place of business other than his own.

(c) Counties, cities, and towns may levy a tax, not to exceed five dollars (\$5.00) per machine, on the business taxed under this section."

Part IX. Alcoholic Beverage Fees and Taxes.

Sec. 100. G.S. 18B-804(b) is amended by adding a new subdivision to read:

"(6a) An additional bottle charge for local boards of one cent (1c) on each bottle containing 50 milliliters or less and five cents (5c) on each bottle containing more than 50 milliliters."

Sec. 101. G.S. 18B-804(b)(8) is amended by deleting the phrase "ten dollars (\$10.00)" and substituting the phrase "fifteen dollars (\$15.00)".

Sec. 102. G.S. 18B-805(b)(2) is amended by adding a new sentence to read: "In addition to the taxes levied under Chapter 105 of the General Statutes, the local board shall pay to the Department one third of the mixed beverages surcharge required by G.S. 18B-804(b)(8)."

Sec. 103. G.S. 18B-805(b)(3) is amended by deleting the phrase "ten percent (10%)" and substituting the phrase "six and two-thirds percent (6-2/3%)".

Sec. 104. G.S. 18B-805(c)(1) is amended by inserting between the citation "18B-804(b)(5)" and the comma the phrase "and the bottle charge provided for in G.S. 18B-804(b)(6a)".

Sec. 105. G.S. 18B-902(d)(10) is rewritten to read:

"(10) Mixed beverages permit - \$750.00."

Sec. 106. G.S. 18B-903(b) is amended by deleting the phrase "fifty percent (50%) of the original fee" and substituting the phrase "five hundred dollars (\$500.00)".

Sec. 107. G.S. 105-113.86(a)(2) is amended by deleting the last sentence of that subdivision.

Sec. 108. G.S. 105-113.86(p) is amended in the first sentence by deleting the phrase "subsection (a)" and substituting the phrase "subdivision (a)(1)".

Part X. Effective Dates.

Sec. 109. Part I of this act shall become effective August 1, 1983, and shall apply to all actions initiated on and after that date. Part II shall become effective August 1, 1983, except that Sections 50 and 51 do not apply during the entire 1983 Session to any person registered under Article 9A of Chapter 120 of the General Statutes for the 1983 Session who registered before ratification of this act. Part III is effective upon ratification. Sections 54-60 of Part IV shall become effective January 1, 1984; Section 61 of Part IV shall become effective September 1, 1983, and shall apply to registrations issued on or after that date. Sections 62-85 of Part V are effective for taxable years beginning on or after January 1, 1983; Section 86 of Part V applies to taxable years beginning on or after June 25, 1983. Sections 87-94 of Part VI shall become effective August 1, 1983; Section 95 of Part VI is effective upon ratification. Part VII of this act is effective upon ratification and applies to applications received or processed on or after that date. Applicants for a certificate-of-need whose application was submitted but not processed as of the effective date of this act shall remit the fee imposed by this act within 10 days of notification by the Secretary of Human Resources of the amount of the fee. Part VIII shall become effective July 1, 1984. Part IX shall become effective August 1, 1983, except that Sections 105 and 106 shall become effective May 1, 1984.

In the General Assembly read three times and ratified, this the 8th day of July, 1983.