

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

SESSION LAW 2009-569  
HOUSE BILL 1570

AN ACT TO AMEND THE ALLOCATION AMONG LOCAL GOVERNMENTS OF THE  
TENNESSEE VALLEY AUTHORITY PAYMENT IN LIEU OF TAXES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-458 reads as rewritten:

**"§ 105-458. Apportionment of payments in lieu of taxes between local units.**

The payments received by the State and local governments from the Tennessee Valley Authority in lieu of taxes under section 13 of the Act of Congress creating it, and as amended, shall be apportioned between the local governments in which the property is owned or an operation is carried on, on the basis of ~~the percentage of loss of taxes to each~~ each local government's percentage of the total value of the Authority's property in the State, determined as hereinafter provided: Provided, however, that the minimum annual payment to any local government from said fund, including the amounts paid direct to said local government by the Authority, shall not be less than the amount of annual actual tax loss to such local government based upon the two-year average on said property next prior to it being taken over by the Authority."

**SECTION 2.** G.S. 105-459 reads as rewritten:

**"§ 105-459. ~~Determination of amount of taxes lost by virtue of T.V.A. operation of property; prororation of~~ Prororation of T.V.A. funds.**

The Department of Revenue shall determine each year, on the basis of current tax laws, the ~~total taxes that would be due to both the State of North Carolina and the local governments~~ allocation of the Authority's valuation among the local governments in the same manner as if the property owned ~~and/or~~ operated by the Authority were owned ~~and/or~~ operated by a privately owned public ~~utility~~. ~~Provided, however, in making said calculations the Department of Revenue shall use the tax rate fixed by the local government unit and taxing district involved for the tax year next preceding such calculations.~~ utility. The Department of Revenue and the Treasurer of the State of North Carolina shall then prorate the funds received from the Authority by the State and local governments between the local governments upon the basis of the foregoing calculations."

**SECTION 3.** G.S. 105-461 reads as rewritten:

**"§ 105-461. Duty of ~~county accountant, finance officer, etc.~~**

The ~~county accountant~~ finance officer or other proper officer of each local government to which this Subchapter is applicable shall:

- (1) ~~Certify to the Department of Revenue and the Treasurer of the State of North Carolina the tax rate fixed by the governing body of such local government immediately upon the fixing of the same;~~
- (2) ~~Certify~~ shall certify each month to the Treasurer of the State of North Carolina a statement of the amount received by the local government direct from the Authority.

No local government shall be entitled to receive its distributive share of said fund from the Treasurer of the State of North Carolina until the foregoing information has been properly



furnished. If any such local government shall fail to furnish the information herein required within 10 days from and after receipt by it from the Department of Revenue of request for the same, forwarded by registered mail, then and in that event it shall be barred from participating in the benefits provided for the period for which the same is requested."

**SECTION 4.** This act becomes effective October 1, 2009.

In the General Assembly read three times and ratified this the 6<sup>th</sup> day of August, 2009.

s/ Marc Basnight  
President Pro Tempore of the Senate

s/ Joe Hackney  
Speaker of the House of Representatives

s/ Beverly E. Perdue  
Governor

Approved 2:10 p.m. this 28<sup>th</sup> day of August, 2009