

§ 166A-19.70A. Facilitate critical infrastructure disaster relief.

(a) Purpose. – The State finds that it is appropriate to exclude nonresident businesses and nonresident employees who temporarily come to this State at the request of a critical infrastructure company solely to perform disaster-related work during a disaster response period from the following tax and regulatory requirements:

- (1) Corporate and individual income tax, as provided under G.S. 105-130.1 and G.S. 105-153.2.
- (2) Franchise tax, as provided under G.S. 105-114.
- (3) Unemployment tax, as provided under G.S. 96-1(b)(12).
- (4) Certificate of Authority from the Secretary of State to transact business in this State, as provided under G.S. 55-15-01(d) and G.S. 57D-1-24(d).

(b) Definitions. – In addition to the definitions in G.S. 166A-19.3, the following definitions apply in this section:

- (1) Corporation. – Defined in G.S. 105-130.2.
- (2) Critical infrastructure. – Property and equipment owned or used by a critical infrastructure company for utility or communications transmission services provided to the public in the State. Examples of critical infrastructure include communications networks, electric generation, transmission and distribution systems, natural gas transmission and distribution systems, water pipelines, and related support facilities. Related support facilities may include buildings, offices, lines, poles, pipes, structures, and equipment.
- (3) Critical infrastructure company. – One of the following:
 - a. A registered public communications provider.
 - b. A registered public utility.
- (4) Disaster-related work. – Repairing, renovating, installing, building, or performing services on critical infrastructure that has been damaged, impaired, or destroyed as a result of a disaster or emergency in an area covered by the disaster declaration.
- (5) Disaster response period. – A period that begins 10 days prior to the first day of a disaster declaration and expires on the earlier of the following:
 - a. Sixty days following the expiration of the disaster declaration, as provided under G.S. 166A-19.21(c).
 - b. One hundred eighty days following the issuance of the disaster declaration.
- (6) Employee. – Defined in G.S. 105-163.1.
- (7) Nonresident business. – An entity that has not been required to file an income or franchise tax return with the State for three years prior to the disaster response period, other than those arising from the performance of disaster-related work during a tax year prior to the enactment of this section, and that meets one or more of the following conditions:
 - a. Is a nonresident entity.
 - b. Is a nonresident individual who owns an unincorporated business as a sole proprietor.
- (8) Nonresident employee. – A nonresident individual who is one of the following:
 - a. An employee of a nonresident business.
 - b. An employee of a critical infrastructure company who is temporarily in this State to perform disaster-related work during a disaster response period.
- (9) Nonresident entity. – Defined in G.S. 105-163.1.

- (10) Nonresident individual. – Defined in G.S. 105-153.3.
- (11) Registered public communications provider. – A corporation doing business in this State prior to the disaster declaration that provides the transmission to the public of one or more of the following:
 - a. Broadband.
 - b. Mobile telecommunications.
 - c. Telecommunications.
 - d. Wireless Internet access.
- (12) Registered public utility. – A corporation doing business in this State prior to the disaster declaration that is subject to the control of one or more of the following entities:
 - a. North Carolina Utilities Commission.
 - b. North Carolina Rural Electrification Authority.
 - c. Federal Communications Commission.
 - d. Federal Energy Regulatory Commission.

(c) Critical Infrastructure Company Notification. – A critical infrastructure company must provide notification to the Department of Revenue within 90 days of the expiration of the disaster response period. The notification must be in the form and manner required by the Department. The notification must include the following:

- (1) A list of all nonresident businesses who performed disaster-related work in this State during a disaster response period at the request of the critical infrastructure company.
- (2) A list of nonresident employees who performed disaster-related work in this State for the critical infrastructure company during a disaster response period. The notification must include the amount of compensation paid to the nonresident employee performing disaster-related work in this State.

(d) Nonresident Business Notification. – A nonresident business must provide notification to the Department of Revenue within 90 days of the date the nonresident business concludes its disaster-related work in the State. The notification must be in the form and manner required by the Department. The notification must include a list of nonresident employees who performed disaster-related work in this State during a disaster response period, along with the amount of compensation paid to the nonresident employee performing disaster-related work in this State. Failure to submit a timely notification forfeits the relief provided by this section for the nonresident business.

(e) Limitation. – The intent of this section is to provide relief to nonresident businesses and nonresident employees who would not otherwise be subject to this State's tax and regulatory requirements if they had not performed disaster-related work during the disaster response period. The relief provided under this section does not apply to any tax year that is part of the disaster response period if the nonresident business or nonresident employee continues to perform disaster-related work following the end of the disaster response period. The relief provided under this section does not apply to a tax year that is part of the disaster response period if the nonresident business or nonresident employee is required to file an income tax return for that tax year with the Department of Revenue for reasons other than the performance of disaster-related work. (2019-187, s. 1(a).)