

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 1197*

Short Title: Exempt Tobacco Assistance Payments.

(Public)

Sponsors: Senators East; Garwood, Hoyle, Jordan, Odom, and Rand.

Referred to: Finance.

May 21, 1998

A BILL TO BE ENTITLED

1 AN ACT TO EXEMPT FROM INCOME TAX FEDERAL PAYMENTS TO
2 TOBACCO ALLOTMENT HOLDERS, TOBACCO WORKERS, AND TOBACCO
3 FARMERS AS COMPENSATION FOR LOSSES DUE TO THE FEDERAL
4 TOBACCO SETTLEMENT.
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6 The General Assembly of North Carolina enacts:

7 Section 1. G.S. 105-130.5(b) is amended by adding a new subdivision to read:

8 "(16) The amount paid to the taxpayer by the federal government during the
9 taxable year under the federal Long-Term Economic Assistance for
10 Farmers (LEAF) Act as reimbursement for loss of tobacco quotas."

11 Section 2. G.S. 105-134.6(b) is amended by adding a new subdivision to read:

12 "(15) The amount paid to the taxpayer by the federal government during the
13 taxable year under the federal Long-Term Economic Assistance for
14 Farmers (LEAF) Act as any of the following:

15 a. Reimbursement for loss of tobacco quotas.

16 b. Transition assistance for tobacco workers.

17 c. Higher education assistance grants for members of tobacco farm
18 families."

19 Section 3. This act is effective for taxable years beginning on or after January

20 1, 1998.