

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 1551

Short Title: Tax Enforcement.

(Public)

Sponsors: Representatives Miller, Allen, Gray, Hill, Jarrell, Luebke, Pope, and Tucker.

Referred to: Finance.

May 17, 2000

1 A BILL TO BE ENTITLED AN ACT TO MODIFY THE AUTHORITY OF
2 DEPARTMENT OF REVENUE LAW ENFORCEMENT AGENTS, TO ALLOW THE
3 SECRETARY OF REVENUE TO ADMINISTER THE OATH OF OFFICE TO
4 DEPARTMENT OF REVENUE LAW ENFORCEMENT AGENTS, AND TO
5 PROVIDE A CIVIL PENALTY FOR FILING A FRIVOLOUS INCOME TAX
6 RETURN.

7 The General Assembly of North Carolina enacts:

8 Section 1. G.S. 105-236.1(a) reads as rewritten:

9 "(a) General. – The Secretary may appoint employees of the Criminal
10 Investigations Division to serve as revenue law enforcement officers having the
11 responsibility and subject-matter jurisdiction to enforce the felony and misdemeanor tax
12 violations in G.S. ~~105-236-105-236~~, to enforce the misdemeanor tax violations in G.S.
13 105-449.117 and G.S. 105-449.120, and to enforce any of the following criminal offenses
14 when they involve a tax imposed under Chapter 105 of the General Statutes: G.S. 14-91
15 (Embezzlement of State Property), G.S. 14-92 (Embezzlement of Funds), G.S. 14-100
16 (Obtaining Property By False Pretenses), G.S. 14-119 (Forgery), ~~and~~ G.S. 14-120
17 (Uttering Forged ~~Paper~~–Paper), and G.S. 14-401.18 (Sale of Certain Packages of
18 Cigarettes).

19 The Secretary may appoint employees of the Unauthorized Substances Tax Division
20 to serve as revenue law enforcement officers having the responsibility and subject-matter

1 jurisdiction to enforce the excise tax on unauthorized substances imposed by Article 2D
2 of this Chapter. To serve as a revenue law enforcement officer, an employee must be
3 certified as a criminal justice officer under Chapter 17C of the General Statutes.

4 The Secretary may administer the oath of office to revenue law enforcement officers
5 appointed pursuant to this section."

6 Section 2. G.S. 105-236 is amended by adding a new subdivision to read:

7 "(10a) Filing a Frivolous Return. – If a taxpayer files a frivolous return
8 under Part 2 of Article 4 of this Chapter, the Secretary shall assess
9 a penalty in the amount of five hundred dollars (\$500.00). A
10 frivolous return is a return that meets both of the following
11 requirements:a. Fails to include information on which the
12 substantial correctness of the return may be judged or contains
13 information that indicates the return is substantially incorrect.

14 b. Evidences a desire to delay or impede the revenue laws of
15 this State or a reliance upon a position that is frivolous."

16 Section 3. Section 2 of this act becomes effective October 1, 2000, and applies
17 to returns filed on or after that date. The remainder of this act is effective when it
18 becomes law.