

April 5, 2001

S 1050. NORTH CAROLINA TOURISM DEVELOPMENT ACT. TO PROVIDE TAX INCENTIVES FOR CAPITAL TOURISM PROJECTS IN TIER ONE, TWO, AND THREE COUNTIES, AND TO CREATE THE TRAVEL AND TOURISM CAPITAL INCENTIVE GRANT PROGRAM.

Allows a tax credit for taxpayers who create new full-time tourism jobs. To be eligible for the credit, the taxpayer must: (1) qualify as an "attractor," defined as a tourism facility that draws tourists to a local area for one or more days on its own merits, is designed primarily to attract tourists rather than local residents, and invests its own capital to market its products and services; (2) meet specified wage standards; (3) be located in an enterprise tier one, two, or three area or in a development zone; (4) provide health insurance for the jobs for which the credit is claimed; (5) certify that the taxpayer has no pending administrative, civil, or criminal enforcement actions based on alleged violations of environmental laws, or final determination of responsibility for any significant violation of those laws; (6) certify that the taxpayer has no outstanding citations under the Occupational Safety and Health Act and has had no serious violation of that Act within the previous three years; and (7) has five or more full-time employees and hires an additional employee during the taxable year. The amount of the credit is based on the enterprise tier in which the taxpayer is located and is increased by \$4,000 if the position is located in a development zone. In tier one, the credit is \$12,500; in tier two, \$4,000; and in tier three, \$3,000. Allows a tax credit for a taxpayer that purchases or leases eligible tourism property and places it in service in an enterprise tier one, two, or three area during the taxable year. The credit is equal to 7 percent of the excess of the eligible investment amount over the following thresholds: for tier one, \$0, for tier two, \$100,000; and for tier three, \$200,000. A taxpayer that takes a credit under this program may not take any other credit with respect to the same jobs or property. Sunsets on Jan. 1, 2008.

Creates the Travel and Tourism Capital Incentive Grant Program in the Dep't of Commerce. Provides that grant funds shall be allocated to local government units for the purpose of inducing the creation of new travel and tourism projects, or the expansion or renovation of existing projects. Sets forth criteria for projects to qualify for grant funds.

Effective for taxable years beginning on or after Jan. 1, 2002.

Intro. by Metcalf.

Ref. to Finance	GS 105, 143B
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