GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2003

Η

HOUSE BILL 1642

Short Title: Study Tax Preferences.

(Public)

Sponsors:Representatives Glazier; and Luebke.Referred to:Rules, Calendar, and Operations of the House.

May 25, 2004

1	A BILL TO BE ENTITLED
2	AN ACT TO REQUIRE THE REVENUE LAWS STUDY COMMITTEE TO
3	CONDUCT A REVIEW OF ALL TAX EXPENDITURES AT LEAST ONCE
4	EVERY FIVE YEARS.
5	The General Assembly of North Carolina enacts:
6	SECTION 1. G.S. 120-70.106 reads as rewritten:
7	"§ 120-70.106. Purpose and powers <u>Purpose, powers, and duties</u> of Committee.
8	(a) The Revenue Laws Study Committee may:
9	(1) Study the revenue laws of North Carolina and the administration of
10	those laws.
11	(2) Review the State's revenue laws to determine which laws need
12	clarification, technical amendment, repeal, or other change to make the
13	laws concise, intelligible, easy to administer, and equitable.
14	(3) Call upon the Department of Revenue to cooperate with it in the study
15	of the revenue laws.
16	(4) Report to the General Assembly at the beginning of each regular
17	session concerning its determinations of needed changes in the State's
18	revenue laws.
19	These powers, which are enumerated by way of illustration, shall be liberally
20	construed to provide for the maximum review by the Committee of all revenue law
21	matters in this State.
22	(b) The Committee may make interim reports to the General Assembly on
23	matters for which it may report to a regular session of the General Assembly. A report
24	to the General Assembly may contain any legislation needed to implement a
25	recommendation of the Committee. When a recommendation of the Committee, if
26	enacted, would result in an increase or decrease in State revenues, the report of the
27	Committee must include an estimate of the amount of the increase or decrease.
28	(c) The Committee shall conduct a comprehensive review of each tax
29	expenditure at least once every five years to determine if the tax expenditure is an

General Assembly of North Carolina

1	equitable and efficient means of achieving a State public policy objective and shall
2	report to the General Assembly on the findings of this review. For the purpose of this
3	subsection, the term 'tax expenditure' has the same meaning as in G.S. 105-256. The
4	Committee may stagger the reviews so that not all tax expenditures have to be
5	reevaluated in the same year."
6	SECTION 2. The first reviews required under G.S. 120-70.106(c), as
7	enacted by this act, shall be reported to the 2005 General Assembly.
8	SECTION 3. There is appropriated from the General Fund to the General
9	Assembly the sum of ten thousand dollars (\$10,000) for the 2004-2005 fiscal year to
10	conduct the review required by this act.
11	SECTION 4. This act become effective July 1, 2004.