

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

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HOUSE BILL 1325

Short Title: Tax Credit for Recycling Oyster Shells. (Public)

Sponsors: Representatives McLawhorn; Harrison, Hill, Preston, Underhill, and Walend.

Referred to: Finance.

April 20, 2005

A BILL TO BE ENTITLED

1 AN ACT TO PROVIDE AN INCOME TAX CREDIT FOR DONATIONS OF  
2 OYSTER SHELLS TO THE DEPARTMENT OF ENVIRONMENT AND  
3 NATURAL RESOURCES FOR PLACEMENT IN OYSTER SANCTUARIES TO  
4 RESTORE OYSTER POPULATIONS.  
5

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** Part 1 of Article 4 of Chapter 105 of the General Statutes is  
8 amended by adding a new section to read:

9 **"§ 105-130.47. Credit for recycling oyster shells.**

10 (a) Credit. – A taxpayer who donates oyster shells to the Division of Marine  
11 Fisheries of the Department of Environment and Natural Resources is eligible for a  
12 credit against the tax imposed by this Part. The amount of the credit is equal to the fair  
13 market value of the oyster shells donated.

14 (b) Limitation. – The credit allowed under this section may not exceed the  
15 amount of tax imposed by this Part for the taxable year reduced by the sum of all credits  
16 allowable, except tax payment made by or on behalf of the taxpayer. Any unused  
17 portion of the credit may be carried forward for the succeeding five years.

18 (c) No Double Benefit. – No deduction is allowed under G.S. 105-130.5(b)(5) for  
19 the oyster shells for which a credit is claimed under this section.

20 (d) Sunset. – This section is repealed for taxable years beginning on or after  
21 January 1, 2010."

22 **SECTION 2.** Part 2 of Article 4 of Chapter 105 of the General Statutes is  
23 amended by adding a new section to read:

24 **"§ 105-151.29. Credit for recycling oyster shells.**

25 (a) Credit. – A taxpayer who donates oyster shells to the Division of Marine  
26 Fisheries of the Department of Environment and Natural Resources is eligible for a  
27 credit against the tax imposed by this Part. The amount of the credit is equal to the fair  
28 market value of the oyster shells donated.

1       (b) Limitation. – The credit allowed under this section may not exceed the  
2 amount of tax imposed by this Part for the taxable year reduced by the sum of all credits  
3 allowable, except tax payment made by or on behalf of the taxpayer. Any unused  
4 portion of the credit may be carried forward for the succeeding five years.

5       (c) No Double Benefit. – A taxpayer who claims a credit under this section must  
6 add back to taxable income any amount deducted under the Code for the donation of the  
7 oyster shells.

8       (d) Sunset. – This section is repealed for taxable years beginning on or after  
9 January 1, 2010."

10       **SECTION 3.** G.S. 105-160.3(b) reads as rewritten:

11       "(b) The following credits are not allowed to an estate or trust:

12       ...

13       (8) G.S. 105-151.29. Credit for recycling oyster shells."

14       **SECTION 4.** This act is effective for taxable years beginning on or after  
15 January 1, 2005.