GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2005

S **D**

SENATE DRS55190-MBx-49 (3/16)

Short Title:	Sales Tax on R&D Equipment.	(Public)
Sponsors:	Senator Nesbitt.	
Referred to:		

A BILL TO BE ENTITLED

AN ACT TO REDUCE THE TAX ON SALES OF EQUIPMENT USED FOR RESEARCH AND DEVELOPMENT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-164.3 is amended by adding a new subdivision to read:

"(33a) Research and development equipment. – Equipment used to perform qualified research as defined in section 41 of the Code."

SECTION 2. G.S. 105-164.13 is amended by adding a new subdivision to read:

"(54) Research and development equipment."

SECTION 3. G.S. 105-187.51(a) is amended by adding a new subdivision to read:

"(4) A taxpayer who purchases research and development equipment for storage, use, or consumption in this State."

SECTION 4. This act becomes effective for taxable years beginning on or after January 1, 2006.