

May 18, 2010

**S 1215. ECONOMIC INCENTIVES ALIGNMENT & CHANGES.** Filed 5/18/10. *TO INCREASE UNIFORMITY IN SUNSET AND REPORTING REQUIREMENTS OF ECONOMIC INCENTIVES TOOLS AND TO ELIMINATE NON-UTILIZED ECONOMIC INCENTIVES.*

As the title indicates, makes changes to provide uniformity in the reporting requirements of GS 105-256 regarding economic incentives enacted as the GS Chapter 105 credits, income tax credits, and sales and use tax benefits under current law. Makes conforming and technical changes to the reporting requirement necessary to transfer the current separate reports into a unified annual report. Amends GS 105-256(a) to add new subdivision (2a) requiring the Secretary of Revenue to create by May 1 of each year, the economic incentives report for the previous calendar year that (1) contains information on tax credits and tax refunds, and (2) is itemized by credit or refund and by taxpayer.

Amends GS 105-129.19 to add the requirement that the information in the renewable energy (was, business and energy) tax credits report be itemized by credit and by taxpayer. Amends credits under GS 105-129.38 (rehabilitation of historic structures) and GS 105-129.44 (low-income housing) to require itemization by taxpayer.

Repeals Article 3C (Tax Incentives for Recycling Facilities) of GS Chapter 105 for taxable years beginning January 1, 2018, and Article 3D (Historic Rehabilitation Tax Credit) for expenses incurred on or after January 1, 2014.

Enacts new GS 105-129.75A to create a reporting requirement for Article 3H (rehabilitation of mill property) of GS Chapter 105.

Amends GS 105-130.46(k) to transfer the reporting responsibility regarding credits for exporting cigarettes and increasing employment from the corporation that is claiming the credit to the Department of Revenue.

Under current law, all sales and use tax refunds are addressed in GS 105-164.14. Replaces repealed GS 105-164.14(f) with identical provisions regarding information to counties and cities in proposed GS 105-164.29B. Repeals specified subdivisions and subsections from GS 105-164.14 referencing economic incentive refunds enacted for (1) seven specified non-industrial facilities and (2) certain industrial facilities. Enacts new GS 105-164.14A to govern refunds enacted for those seven specified non-industrial facilities for economic incentive purposes. Such facilities include passenger air carriers, major recycling facilities, and professional motor sports teams. Proposed GS 105-164.14A also includes sunsets for the following economic incentive refunds: (1) January 1, 2011, re: passenger air carrier refund, and business in low-tier area refund; (2) repeals sales and use tax refund for major recycling facilities for purchases made on or after January 1, 2018; (3) January 1, 2014, re: professional motor sports team; (4) repealed for purchases made on or after January 1, 2013, re: analytical services business; and (5) repealed for purchases made on or after January 1, 2038, re: railroad intermodal facility.

Enacts new GS 105-164.14B to govern refunds enacted for certain industrial facilities for economic incentive purposes. To qualify for a refund, the industrial facility must meet the business, minimum investment and industry-specific requirements as specified in the statute. Provides for the forfeiture of refunds under specified circumstances. Proposed GS 105-164.14B is repealed for sales made on or after January 1, 2013.

Deletes obsolete economic incentives, removing *large recycling facility* from Article 3C of GS Chapter 105 and repealing Article 3G of GS Chapter 105 regarding tax incentives for major computer manufacturing facilities.

Makes additional conforming changes to GS Chapter 105 and to GS 75-29(a).

The act becomes effective July 1, 2010. Provides that the first economic incentives report as required by GS 105-256, and as amended in this act, is due May 1, 2011. Additionally provides that the first refund claim by a taxpayer whose sales tax refund period is changed by this act is due within six months after July 1, 2010, and applies to purchases during the time period not covered by the taxpayer's last claim for a refund.

**Intro. by Jenkins.**

GS 75, 105

June 16, 2010

**S 1215. ECONOMIC INCENTIVES ALIGNMENT & CHANGES.** Filed 5/18/10. Senate committee substitute makes the following changes to 1st edition. Deletes proposed new GS 105-129.29 which repealed Article 3C (Tax Incentives For Recycling Facilities) of GS Chapter 105 as of January 1, 2018. Amends proposed GS 105-164.14A to delete the January 1, 2010, repeal of the major recycling facility tax credit.

August 12, 2010

**SL 2010-166 (S 1215). ECONOMIC INCENTIVES ALIGNMENT AND CHANGES. AN ACT TO INCREASE UNIFORMITY IN SUNSET AND REPORTING REQUIREMENTS OF ECONOMIC INCENTIVES TOOLS AND TO ELIMINATE NONUTILIZED ECONOMIC INCENTIVES.** Summarized in *Daily Bulletin* 5/18/10 and 6/16/10. Enacted August 2, 2010. Effective July 1, 2010.