

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011

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SENATE BILL 827

Short Title: Extend Tax Provisions. (Public)

Sponsors: Senators Rucho, Hartsell, Blue; Brunstetter, Clodfelter, Dannelly, Harrington, McKissick, Rabon, Rouzer; and Stevens.

Referred to: Finance.

May 21, 2012

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXTEND THE SUNSET OF CERTAIN TAX PROVISIONS, AS PROPOSED  
3 BY THE REVENUE LAWS STUDY COMMITTEE.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Section 2 of S.L. 2009-505 reads as rewritten:

6 "**SECTION 2.** This act is effective when it becomes law and expires ~~July 1, 2012.~~July 1,  
7 2013."

8 **SECTION 2.** G.S. 105-129.16D(d) reads as rewritten:

9 "(d) Sunset. – This section is repealed effective for facilities placed in service on or after  
10 ~~January 1, 2013.~~January 1, 2014."

11 **SECTION 3.** G.S. 105-129.16F(b) reads as rewritten:

12 "(b) Sunset. – This section is repealed for taxable years beginning on or after ~~January 1,~~  
13 ~~2013.~~January 1, 2014."

14 **SECTION 4.** G.S. 105-129.16G(b) reads as rewritten:

15 "(b) Sunset. – This section expires for taxable years beginning on or after ~~January 1,~~  
16 ~~2012.~~January 1, 2014."

17 **SECTION 5.** G.S. 105-129.82(a) reads as rewritten:

18 "(a) Sunset. – This Article is repealed effective for business activities that occur on or  
19 after ~~January 1, 2013.~~January 1, 2014."

20 **SECTION 6.(a)** G.S. 105-130.48(f) reads as rewritten:

21 "(f) Sunset. – This section is repealed effective for taxable years beginning on or after  
22 ~~January 1, 2013.~~January 1, 2014."

23 **SECTION 6.(b)** G.S. 105-151.30(f) reads as rewritten:

24 "(f) Sunset. – This section is repealed effective for taxable years beginning on or after  
25 ~~January 1, 2013.~~January 1, 2014."

26 **SECTION 7.** G.S. 105-151.28(d) reads as rewritten:

27 "(d) Sunset. – This section is repealed for taxable years beginning on or after ~~January 1,~~  
28 ~~2013.~~January 1, 2014."

29 **SECTION 8.** G.S. 105-151.31(c) reads as rewritten:

30 "(c) Sunset. – This section is repealed effective for taxable years beginning on or after  
31 ~~January 1, 2013.~~January 1, 2014."

32 **SECTION 9.** G.S. 105-131.32(c) reads as rewritten:

33 "(c) Sunset. – This section is repealed effective for taxable years beginning on or after  
34 ~~January 1, 2013.~~January 1, 2014."

35 **SECTION 10.** G.S. 105-163.015 reads as rewritten:



1 **"§ 105-163.015. Sunset.**

2 This Part is repealed effective for investments made on or after ~~January 1, 2013~~January 1,  
3 2014."

4 **SECTION 11.(a)** G.S. 105-164.14A(a) reads as rewritten:

5 "(a) Refund. – The following taxpayers are allowed an annual refund of sales and use  
6 taxes paid under this Article:

7 (1) **(Repealed for purchases made on or after January 1, 2013)** Passenger air  
8 carrier. – An interstate passenger air carrier is allowed a refund of the sales  
9 and use tax paid by it on fuel in excess of two million five hundred thousand  
10 dollars (\$2,500,000). The amount of sales and use tax paid does not include  
11 a refund allowed to the interstate passenger air carrier under  
12 G.S. 105-164.14(a). This subdivision is repealed for purchases made on or  
13 after ~~January 1, 2013~~January 1, 2014.

14 (2) Major recycling facility. – An owner of a major recycling facility is allowed  
15 a refund of the sales and use tax paid by it on building materials, building  
16 supplies, fixtures, and equipment that become a part of the real property of  
17 the recycling facility. Liability incurred indirectly by the owner for sales and  
18 use taxes on these items is considered tax paid by the owner.

19 (3) Business in low-tier area. – A taxpayer that is engaged primarily in one of  
20 the businesses listed in G.S. 105-129.83(a) in a development tier one area  
21 and that places machinery and equipment in service in that area is allowed a  
22 refund of the sales and use tax paid by it on the machinery and equipment.  
23 For purposes of this subdivision, "machinery and equipment" includes  
24 engines, machinery, equipment, tools, and implements used or designed to  
25 be used in one of the businesses listed in G.S. 105-129.83, capitalized for tax  
26 purposes under the Code, and not leased to another party. Liability incurred  
27 indirectly by the taxpayer for sales and use taxes on these items is  
28 considered tax paid by the taxpayer. The sunset for Article 3J of Chapter 105  
29 of the General Statutes for development tier one areas applies to this  
30 subdivision.

31 (4) **(Repealed for purchases made on or after January 1, 2013)** Motorsports  
32 team or sanctioning body. – A professional motorsports racing team, a  
33 motorsports sanctioning body, or a related member of such a team or body is  
34 allowed a refund of the sales and use tax paid by it in this State on aviation  
35 fuel that is used to travel to or from a motorsports event in this State, to  
36 travel to a motorsports event in another state from a location in this State, or  
37 to travel to this State from a motorsports event in another state. For purposes  
38 of this subdivision, a "motorsports event" includes a motorsports race, a  
39 motorsports sponsor event, and motorsports testing. This subdivision is  
40 repealed for purchases made on or after ~~January 1, 2013~~January 1, 2014.

41 (5) **(Repealed for purchases made on or after January 1, 2014)** Professional  
42 motorsports team. – A professional motorsports racing team or a related  
43 member of a team is allowed a refund of fifty percent (50%) of the sales and  
44 use tax paid by it in this State on tangible personal property, other than tires  
45 or accessories, that comprises any part of a professional motorsports vehicle.  
46 For purposes of this subdivision, "motorsports accessories" includes  
47 instrumentation, telemetry, consumables, and paint. This subdivision is  
48 repealed for purchases made on or after January 1, 2014.

49 (6) **(Repealed for purchases made on or after January 1, 2013)** Analytical  
50 services business. – A taxpayer engaged in analytical services in this State is  
51 allowed a refund of sales and use tax paid by it. This subdivision is repealed

for purchases made on or after ~~January 1, 2013~~January 1, 2014. The amount of the refund is the greater of the following:

- a. Fifty percent (50%) of the eligible amount of sales and use tax paid by it on tangible personal property that is consumed or transformed in analytical service activities. The eligible amount of sales and use tax paid by the taxpayer in this State is the amount by which sales and use tax paid by the taxpayer in this State in the fiscal year exceed the amount paid by the taxpayer in this State in the 2006-2007 State fiscal year.
- b. Fifty percent (50%) of the amount of sales and use tax paid by it in the fiscal year on medical reagents.

(7) **(Repealed for purchases made on or after January 1, 2038)** Railroad intermodal facility. – The owner or lessee of an eligible railroad intermodal facility is allowed a refund of sales and use tax paid by it under this Article on building materials, building supplies, fixtures, and equipment that become a part of the real property of the facility. Liability incurred indirectly by the owner or lessee of the facility for sales and use taxes on these items is considered tax paid by the owner or lessee. This subdivision is repealed for purchases made on or after January 1, 2038."

**SECTION 11.(b)** G.S. 105-164.14B(f) reads as rewritten:

"(f) Sunset. – This section is repealed for sales made on or after ~~January 1, 2013~~January 1, 2014."

**SECTION 12.** This act is effective when it becomes law.