

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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SENATE BILL 523
Finance Committee Substitute Adopted 5/14/13
House Committee Substitute Favorable 7/23/13

Short Title: Late Filing Penalty.

(Public)

Sponsors:

Referred to:

April 1, 2013

1 A BILL TO BE ENTITLED
2 AN ACT TO CLARIFY AND AMEND THE PENALTIES FOR A TAXPAYER'S FAILURE
3 TO FILE A RETURN.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 105-236(a)(3) reads as rewritten:

6 "§ 105-236. Penalties; situs of violations; penalty disposition.

7 (a) Penalties. – The following civil penalties and criminal offenses apply:

8 ...

9 (3) Failure to File Return. – In case of failure to file any return on the date it is
10 due, determined with regard to any extension of time for filing, the Secretary
11 shall assess a penalty equal to the following:

12 a. For individual income tax imposed under Part 2 of Article 4 of this
13 Chapter excluding income tax paid by a partnership or an S
14 Corporation, the penalty is one hundred dollars (\$100.00) if the net
15 amount of the tax is greater or equal to zero. The "net amount of the
16 tax" means the tax imposed after credits and tax payments.

17 b. For all other taxes and individual income taxes paid by a partnership
18 or an S Corporation, the penalty is equal to five percent (5%) of the
19 amount of the tax if the failure is for not more than one month, with
20 an additional five percent (5%) for each additional month, or fraction
21 thereof, during which the failure continues, not exceeding
22 twenty-five percent (25%) in the aggregate, or five dollars (\$5.00),
23 whichever is the greater aggregate. The "amount of the tax" means
24 the tax imposed before credits and tax payments.

25"

26 SECTION 2. This act is effective for penalties assessed on or after January 1,
27 2014.

