

February 3, 1999

H 18. CRIMINAL TAX PENALTY TO HOME COUNTY. TO PROVIDE THAT CRIMINAL PENALTIES IN TAX CASES SHALL BE REMITTED TO THE SCHOOL FUND OF THE COUNTY IN WHICH THE VIOLATION OCCURRED. Rewrites GS 115C-452 to provide that the proceeds of all penalties and forfeitures collected will, in cases involving criminal tax violations that are not instituted in the county in which the violation occurred, be remitted to the finance officer of the county in which the violation occurred. The county finance officer must remit the appropriate portion of these fines to the local school administrative unit. Effective Dec. 1, 1999; applies to fines imposed on or after that date.

Intro. by McCombs.

Ref. to Rules

GS 115C

H 19. CASINO BOATS REGULATED. TO PROHIBIT CERTAIN CASINO BOATS FROM OPERATING IN NORTH CAROLINA AND TO REGULATE CERTAIN CASINO BOATS THAT OPERATE IN NORTH CAROLINA PURSUANT TO FEDERAL LAW AND TO LEVY A PRIVILEGE TAX ON GAMBLING BOATS OPERATING IN NORTH CAROLINA AND TO REQUIRE WITHHOLDING FROM CERTAIN GAMBLING BOAT WINNINGS. Prohibits "gambling cruises to nowhere" in NC and regulates, to extent allowed by federal law, gambling cruises that originate and terminate in NC.

Adds GS Ch. 14, Art. 37, Part 3, the "Gambling Cruise Prohibition and Regulation Act." Makes unlawful the manufacture, sales, transport, or use of certain gambling devices on a watercraft that embarks from a point in NC and disembarks in NC, without making an intervening stop within the boundaries of another state, another U.S. possession, or a foreign country. Defines an intervening stop as one in which the watercraft docks at a port, remains in port for six hours, and allows passengers to disembark. Violation is a Class A1 misdemeanor with a fine of up to \$5,000 and possible imprisonment. Also authorizes designated law enforcement officers to seize property related to the crime and to inspect boats, when it appears someone is on board, without a warrant.

Requires casino boats to obtain a \$10,000 ABC permit to serve alcohol. To become eligible, a casino boat must (a) serve meals on each voyage and have a dining capacity with seating for 36; (b) have gross receipts from food and nonalcoholic beverages that exceed the gross receipts from alcoholic beverages; and (c) have a home port in an area where issuance of ABC permits are legal and where passengers enter. Requires liquor purchased for resale in mixed drinks to be purchased from the local board for the jurisdiction of the boat's home port.

Makes those who operate gambling boat voyages subject to a privilege tax of \$6 for each passenger that embarks in this state. Requires the tax to be remitted monthly.

Requires gambling boat operator who pays a North Carolina resident more than \$600 in gambling winnings to withhold taxes at a rate of 7 percent of the winnings. Makes withheld taxes due quarterly.

Makes sections of act affecting taxes effective on the first day of the third calendar month after act becomes law.

Intro. by Redwine.

Ref. to Rules

GS 14,18B, 105

March 18, 1999

H 19. CASINO BOATS REGULATED. Intro. 2/3/99. House committee substitute makes the following changes to 2nd edition. Makes it a Class A1 misdemeanor to operate a casino boat (defined as vessel that embarks from point within NC and disembarks within NC without making an intervening stop and is operated for the purpose of gambling), except does not apply to possession of gambling devices on vessels during travel from a foreign nation or another state up to first point of entry in NC waters or from the point of departure from NC waters. Requires gambling boats operated pursuant to federal law to require all passengers to be at least 21 years of age. Specifies ABC renewal application fee for gambling boat is same as original application fee.

March 25, 1999

H 19. GAMBLING BOATS REGULATED. Intro. 2/3/99. House amendment makes the following changes to 3rd edition. Removes provision allowing for the seizure of any means of conveyance to or from an illegally operating casino boat. Deletes provisions allowing the issuance of a gambling boat permit. Adds provision specifying that if any provision of the act is declared unconstitutional or invalid by the courts, the remaining provisions of the act will remain in effect.

H