

June 4, 2002

**H 1509. REVENUE ADMINISTRATIVE CHANGES. TO CLARIFY THE SALES AND USE TAX EXEMPTION REGARDING CERTAIN AGRICULTURAL SUBSTANCES AND TO MAKE VARIOUS ADMINISTRATIVE CHANGES IN THE TAX LAWS.** Makes various administrative and other changes in sales and use tax law. Amends GS 105-164.13(2a) to specify that sales tax exemption for animal remedies, feeds, etc; rodenticides, herbicides, pesticides, etc; defoliants for use on cotton or other crops; and plant growth inhibitors, regulators, or stimulators, does *not* apply to any equipment or devices used to administer, release, apply, or otherwise dispense the substances. Amends GS 105-164.16(b) to provide that a taxpayer who is consistently liable for less than \$100 a month in state and local sales and use taxes has until last day of month (now, 15th day) following end of quarter to file quarterly return. Amends GS 105-164.16(b2) to provide that taxpayer who is consistently liable for \$10,000 or more a month is not subject to interest or penalties if taxpayer (1) timely pays at least 95% of the lesser of (a) the amount due for each semimonthly payment period or (b) the average semimonthly payment for the prior calendar year and (2) includes the underpayment with the monthly return filed for the two semimonthly payment periods in question. (Under current law, taxpayer must timely pay at least 95% of the amount due for each semimonthly payment to avoid interest or penalties.) Adds new GS 105-164.28A authorizing Sec'y of Revenue to require a person who purchases tangible personal property that is exempt from tax or is subject to a preferential rate of tax depending on the status of the purchaser or the intended use of the property to obtain an exemption certificate from the Dep't of Revenue (Dep't) to receive the exemption or preferential rate. Such a certificate authorizes retailer to sell tangible personal property to certificate holder and either collect tax at preferential rate or not collect tax, as appropriate. Person purchasing under certificate is liable for tax if Dep't determines person was not eligible for certificate or property was not used as intended. Specifies that new section does not apply to direct pay permits or certificates of resale, which are covered in other statutes. Provision amending GS 105-164.16(b) (change in tax return filing date to end of month) becomes effective Oct. 1, 2002, and applies to taxes levied on or after that date. Provision amending GS 105-164.16(b2) (underpayment of taxes) becomes effective July 1, 2002, and applies to payment due on or after that date. Remainder of bill is effective when it becomes law. **Intro. by Holliman, Allen, Buchanan, Hill, Jarrell, Luebke, Wainwright.**

Ref. to Finance
-----------------

GS 105
--------

July 10, 2002

**H 1509. REVENUE CHANGES/EXEMPT UNC TRUST PROPERTY.** Intro. 6/4/02. Senate committee substitute makes the following changes to 2nd edition. Amends the title to add the following: *TO EXEMPT FROM PROPERTY TAX EDUCATIONAL PROPERTY HELD BY A NONPROFIT IN TRUST FOR AN INSTITUTION OF THE UNIVERSITY OF NORTH CAROLINA.* Amends GS 105-278.4 to exempt from taxation buildings owned by a nonprofit entity in trust for the sole benefit of a constituent or affiliated institution of the University of North Carolina. Makes new provision effective for taxes imposed for taxable years beginning on or after July 1, 2002.

July 17, 2002

**H 1509. REVENUE CHANGES/EXEMPT UNC TRUST PROPERTY.** Intro. 6/4/02. Senate amendment makes the following changes to 3rd edition. Changes title to *AN ACT TO CLARIFY THE SALES AND USE TAX EXEMPTION REGARDING CERTAIN AGRICULTURAL SUBSTANCES, TO MAKE VARIOUS ADMINISTRATIVE CHANGES IN THE TAX LAWS, AND TO EXEMPT FROM PROPERTY TAX EDUCATIONAL PROPERTY HELD BY A NONPROFIT IN TRUST FOR A PUBLIC OR PRIVATE UNIVERSITY LOCATED IN NORTH CAROLINA.* Amends GS 105-278.4(a)(1)b. to exclude from property tax educational property held by nonprofit entity in trust for sole benefit of private university with main campus located in state.