

April 5, 2001

**S 1039. TECHNOLOGICAL DEVELOPMENT TAX CREDIT. TO PROMOTE JOB GROWTH AND CAPITAL FORMATION.** Recodifies existing portions of GS Ch. 105, Art. 3B, to create two parts. Titles Part 1, "General Provisions," and Part 2, "Business and Energy Tax Credits." Changes title of Art. 3B to "Business, Technology Development, and Energy Tax Credits." Adds new Part 3, "Technology Development Investment Contingent Tax Credits." Creates a tax credit for losses due to a "qualified investment default." A qualified investment default occurs when a technology development fund cannot make a required repayment of an investment in the fund, including any required payment of interest or other return on the investment. Provides that total amount of credits for qualified investment defaults that occur in any calendar year may not exceed the maturity ceiling for that year. Sets maturity ceilings for calendar years beginning with 2006. No credit is allowed if the owner of a qualified investment has participated in the operation of any business in which the technology development fund invests. In order to participate in the tax credit program, a technology development fund must be certified by the State Treasurer. Provides for technology development tax credit program to sunset, effective with taxable years beginning on or after Jan. 1, 2011.

**Intro. by Hoyle.**

Ref. to Finance	GS 105
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