

February 27, 2003

S 236. REVENUE ADMINISTRATIVE CHANGES (=H 61). *TO MODIFY THE DIVIDEND RECEIVED DEDUCTION FOR REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS TO ENSURE THAT ALL DIVIDENDS ARE TREATED UNIFORMLY, TO EXTEND FOR TWO YEARS THE DEPARTMENT OF REVENUE'S AUTHORITY TO OUTSOURCE THE COLLECTION OF IN-STATE TAX DEBTS, AND TO MAKE VARIOUS ADMINISTRATIVE CHANGES IN THE TAX LAWS.* Identical to H 61, introduced 2/24/03.

Intro. by Kerr, Clodfelter, Dalton, Hartsell, Hoyle.

Ref. to Finance	GS 55, 105
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May 28, 2003

S 236. REVENUE ADMINISTRATIVE CHANGES. Intro. 2/27/03. Senate committee substitute makes the following changes to 1st edition. Amends GS 105-521(b) (hold harmless calculation) to require that calculation be made by Aug. 15 of each year (was, Sept. 15). Adds new GS 105-129.4(a)(7) to provide that in determining eligibility for research and development credit, if primary activity is computer services, taxpayer's qualified research expenditures are considered to be used in computer services (effective Jan. 1, 2001) and that for all other taxpayers qualified research expenditures are considered to be used in the primary business of the taxpayer (effective Jan. 1, 1996). Adds new GS 105-130.16(d) requiring that a taxpayer that is a member of an affiliated group that files a federal consolidated return must include certain listed information with its return. Changes various fuel tax laws, effective Jan. 1, 2004, as follows: (a) amends GS 105-449.9 (temporary carrier permit) by reducing period of temporary permit from 20 to three days; (b) adds new GS 105-449.65(a)(10) requiring that distributor who purchases motor fuel from a supplier at an out-of-state terminal obtain license; (c) deletes provisions in GS 105-449.69(d) and (e) requiring that certain license holders who intend to export or import motor fuel to a state not listed on license holder's application must give Sec'y of Revenue written notice of change; (d) amends GS 105-449.72(a)(2) to increase maximum amount of bond or irrevocable letter of credit to \$625,000 (was, \$250,000); (e) adds new GS 105-449.73(5) and (6) authorizing Sec'y to refuse to issue a license to applicant that failed to pay overdue tax debt or failed to file a tax return; (f) adds new GS 105-449.117 (c) authorizing Sec'y to conduct investigation to identify violations of prohibition against use of dyed diesel or other non-tax paid fuel; (g) amends GS 105-449.123(a) to establish marking requirements for dyed diesel fuel and kerosene storage facilities; (h) adds new GS 119-15 through -15.3 to require that kerosene suppliers, distributors, and terminal operators obtain a license and provide a bond or irrevocable letter of credit in amounts ranging from \$500 to \$20,000, and makes violation of sec. a Class 1 misdemeanor; (i) adds new GS 119-18(a1) to provide that licensed kerosene distributor that buys kerosene from a licensed supplier may defer payment of inspection tax until supplier is required to remit tax; and (j) amends GS 105-164.13(15) (estimated tax for transactions group) to provide that account of municipality that sells electricity may be deducted under certain circumstances. Makes technical and conforming changes.

June 12, 2003

S 236. REVENUE ADMINISTRATIVE CHANGES. Intro. 2/27/03. House committee substitute adopted 6/11/03 makes the following changes to 2nd edition. Amends GS 105-472(a) to provide that amounts collected shall be included in the distribution for the month in which the return is received (was, due). Provides that Sec. 9 (additional information required for affiliated corporations) shall expire for taxable years beginning on or after Jan. 1, 2005.

June 24, 2003

S 236. REVENUE ADMINISTRATIVE CHANGES. Intro. 2/27/03. House amendments make the following changes to 3rd edition. Delete provision requiring additional data on corporate income tax returns of certain affiliated corporations. Require Revenue Laws Study Committee to establish study group to analyze potential revenue impact of modifying the corporate income tax law to require consolidated returns. Set maximum bond required of applicants for licenses as fuel

alcohol or biodiesel providers, occasional or tank wagon importers of fuel, and fuel distributors at \$500,000 (was, \$625,000).

July 8, 2003

S 236. REVENUE ADMINISTRATIVE CHANGES. Intro. 2/27/03. House amendment makes the following changes to 3rd edition. Amends GS 105-521(b), as amended by SL 2003-284, Sec. 37.1, to require that the Dep't of Revenue (was Office of State Budget and Management) submit a final projection of the estimated local sales taxes that local governments would be expected to receive if tax were levied for fiscal year.

August 4, 2003

SL 2003-349 (S 236). REVENUE ADMINISTRATIVE CHANGES. *AN ACT TO MODIFY THE DIVIDEND RECEIVED DEDUCTION FOR REGULATED INVESTMENT COMPANIES AND REAL ESTATE INVESTMENT TRUSTS TO ENSURE THAT ALL DIVIDENDS ARE TREATED UNIFORMLY, TO EXTEND FOR TWO YEARS THE DEPARTMENT OF REVENUE'S AUTHORITY TO OUTSOURCE THE COLLECTION OF IN-STATE TAX DEBTS, TO AMEND THE MOTOR FUEL TAX LAWS, AND TO MAKE VARIOUS ADMINISTRATIVE CHANGES IN THE TAX LAWS.* Summarized in *Daily Bulletin* 2/27/03, 5/28/03, 6/12/03, 6/24/03, and 7/8/03. Enacted July 27, 2003. Parts 1 and 8 are effective for taxable years beginning on or after January 1, 2003. Part 5 of this act becomes effective July 1, 2003. Part 9 of this act is effective for taxable years beginning on or after January 1, 2003, and expires for taxable years beginning on or after January 1, 2005. Part 10 is effective January 1, 2004. The remainder of this act is effective July 27, 2003.