

May 16, 2006

S 1458. EXPANSION OF ROYALTY REPORTING OPTION. Filed 5/16/06. *TO EXPAND THE ROYALTY INCOME REPORTING OPTION TO INCLUDE ADDITIONAL TYPES OF INCOME FROM INTANGIBLE PROPERTY.* Royalty income received for the use of intangible property in NC is taxable to NC. Current GS 105-130.7A provides a tax reporting option for royalties from one type of intangible property: trademarks. If the recipient of royalty income from the use of a trademark in NC is related to the payer of the royalties, current GS 105-130.7A gives them an option on reporting the royalties to NC. Either the recipient can report and pay NC income tax on the royalties while the payer deducts them for tax purposes, or the payer can add the royalties to NC taxable income and pay tax on them while the recipient deducts them for NC tax purposes. The act amends GS 105-130.7A to expand it to include royalties from copyrights and patents, as well as trademarks, effective beginning with the 2006 tax year.

Intro. by Hoyle.

GS 105

June 28, 2006

S 1458. RENTAL CAR TAX FOR TRANSIT CHANGES (NEW). Filed 5/16/06. Senate committee substitute deletes all provisions of 1st edition and replaces it with *AN ACT TO AMEND THE PROVISIONS OF G.S. 105-550 TO PERMIT THE USE OF THE VEHICLE RENTAL TAX BY CERTAIN REGIONAL PUBLIC TRANSPORTATION ENTITIES THAT OPERATE BY INTERLOCAL AGREEMENT AMONG THE MUNICIPALITIES IN A SINGLE COUNTY.* Amends SL 1997-417, which authorized Mecklenburg County to levy an additional one-half cent sales tax for public transportation financing, to make the county an authority for the purposes of the regional transit authority vehicle rental tax and to require the county to transfer the funds to the largest city in the county. Amends the Mecklenburg County sales tax for public transportation (GS 105-510(b)) to authorize a unit of government to use funds received from the vehicle rental tax to supplant or replace other resources.