

May 8, 2007

H 1980. TAXATION OF NONQUALIFIED PATRONAGE BY COOP. Filed 5/8/07. *TO CONFORM TO FEDERAL TAX TREATMENT OF NONQUALIFIED PATRONAGE DIVIDENDS PAID BY A COOPERATIVE.*

Enacts new GS 105-266.3 providing that for taxpayers calculating federal tax liability under section 1383 of the Internal Revenue Code for the current taxable year, for purposes of corporate income tax the taxpayer is considered to have made a tax payment for the current taxable year on the later of the date the return was filed or the date the return was due to be filed. If this payment results in an overpayment, the overpayment is refundable. Provides a calculation method for the amount of the tax payment. Effective for taxable years beginning on or after January 1, 2002.

Intro. by Howard, Brubaker.

GS 105