

May 8, 2007

H 1984. ALTERNATIVE CORPORATE INCOME TAX RETURN. Filed 5/8/07. *TO ALLOW CERTAIN CORPORATIONS TO FILE AN ALTERNATIVE INCOME TAX REPORT.*

Enacts new GS 105-130.7B to allow corporate taxpayers to petition the Secretary of Revenue to enter into an agreement, for up to 10 years, allowing the taxpayer to file an alternative return of the operations of the parent corporation and its subsidiaries and affiliates if listed conditions are met, including a determination by the Secretary of Commerce that conditions are met related to the investment of private funds in real or business property, the creation of jobs, or the wages of the jobs created. Gives the Secretary of Revenue the discretion to allow more favorable tax treatment for specific corporations that make investments in facilities in NC. Sets limitations on what are considered new jobs, sets requirements to be met for continuing the agreement if the business for which the agreement was entered into moves, and terminates the agreement if the property with respect to which the agreement was entered into is no longer used. Any agreement or proposal is a public record, with privileged or protected information redacted. If the taxpayer fails to meet the requirements in the proposal, the taxpayer is liable for the difference between the taxes paid under the agreement and the taxes that would have been owed without the agreement in addition to interest. Effective for taxable years beginning on or after January 1, 2008.

Intro. by Wright, McComas, Justus, Hall.

GS 105