

February 7, 2007

**H 99. TAXPAYER COST RECOVERY.** Filed 2/7/07. *TO PROVIDE FOR REIMBURSEMENT OF EXPENSES TO A PREVAILING TAXPAYER IN AN ADMINISTRATIVE APPEAL OR A LAWSUIT IF THE STATE WAS NOT SUBSTANTIALLY JUSTIFIED IN MAINTAINING ITS POSITION AGAINST THE TAXPAYER.* Amends GS 105-241.2 and GS 105-267 directing the Tax Review Board or the court, respectively, to award costs to a taxpayer when the taxpayer is the prevailing party and the board or court finds that the Secretary of Revenue was not substantively justified in the position asserted against the taxpayer. Effective September 1, 2007.

**Intro. by Blust.**

GS 105

May 15, 2007

**H 99. TAXPAYER COST RECOVERY.** Filed 2/7/07. House committee substitute makes the following changes to 1st edition. Modifies amendments to GS 105-241.2 and GS 105-267 to delineate and define criteria under which a prevailing taxpayer may receive reimbursement of costs in an administrative appeal or lawsuit against the state as follows: (1) adds a definition of *prevailing party*; (2) requires the taxpayer to exhaust all administrative remedies, to satisfy net worth requirements, to not unnecessarily delay the proceedings, to provide information to the Department of Revenue in a timely manner, and to apply for reimbursement within a set amount of time; (3) provides that the Tax Review Board makes the final determination of the reasonable administrative costs; and (4) provides that all costs awarded to the taxpayer are to be paid from the General Fund. Deletes *certain* as a modifier of the type of cooperatives not having more than 500 employees, that are permitted to file a petition for an administrative review.