

March 21, 2007

S 1268. TAX ON DRUG DISTRIBUTIONS. Filed 3/21/07. *TO TAX THE UNLAWFUL DISTRIBUTION OF CONTROLLED SUBSTANCES AND TO CREATE THE BLAIRE THOMPSON FUND.*

Enacts new GS 15B-23.1 establishing the non-reverting Blaire Thompson Fund (fund) to include amounts collected from the transfer tax on unauthorized substances and other funds. Amends GS 15B-21 to require the balance of the fund to be included in the Crime Victims Compensation Commission's annual report to the Governor and General Assembly. Amends GS 15B-8 to direct the Director of the Commission to establish procedures for applying for compensation from the fund and provides that only persons who have suffered damages caused by the illegal use of a controlled substance are qualified for compensation. Adds the fund to the following statutes: GS 15B-6 (powers of the commissioner and director), GS 15B-7 (filing of application for compensation award), and GS 15B-18 (subrogation by state). Amends GS 15B-2 to include the illegal distribution or transfer of controlled substances in the definition of criminally injurious conduct.

Enacts new GS 105-113.107B levying a tax on the transfer of controlled substances by dealers at the same rate as the excise tax on unauthorized substances. Amends GS 105-113.113 to require tax proceeds to be credited to two non-reverting accounts, the State Unauthorized Substances Tax Account for Excise Taxes, and the State Unauthorized Substances Tax Account for Transfer Tax (was, State Unauthorized Substances Tax Account) and requires the funds from the transfer tax account to be remitted to the Blaire Thompson Fund. Enacts new GS 105-113.107A to provide that an excise tax on unauthorized substances does not apply to a transfer by a dealer who is legally authorized to transfer the substance. Amends GS 105-113.109 to provide when the excise tax and transfer tax are payable (was, excise tax). Amends GS 105-113.108 requiring law enforcement agencies to report to the Department of Revenue within 48 hours after arresting an individual for transferring an unauthorized substance that does not have an excise or transfer stamp affixed. Makes conforming change to GS 105-113.105 and GS 105-113.111. Effective December 1, 2007.

Intro. by Boseman.

GS 15B, 105