

March 19, 2009

H 713. ENV./NAT. RES. REPORTS CONSOLIDATION 2009. Filed 3/19/09. *TO AMEND OR REPEAL VARIOUS ENVIRONMENTAL AND NATURAL RESOURCES REPORTING REQUIREMENTS.*

Amends GS 106-744(i) to change the date by which the Agricultural Development and Farmland Preservation Trust Fund Advisory Committee must report annually regarding the Committee's activities, agriculture easements purchased, and agricultural projects funded, to specified commissions and committees from May 1 to October 1. Amends GS 113-44.15(c) to remove the requirement that the NC Parks and Recreation Authority provide an annual progress report by March 15. Amends GS 113-77.9(e) to require the Secretary of Environment and Natural Resources to annually (was, twice each year) revise a list of acquisitions made by funds from the Natural Heritage Trust Fund. Requires a copy of the list to be furnished to the specified divisions and commissions by October 1 of each year (was, within 30 days after each revision). Repeals GS 143-58.2(f), requiring (1) each state department, institution, agency, community college, and local school administrative unit authorized to purchase materials and supplies to report to the Division of Pollution Prevention and Environmental Assistance the amounts and types of materials and supplies with recycled content that were purchased during the previous fiscal year and its progress toward reaching the goals under GS 143-58.3 and (2) the Division of Pollution Prevention and Environmental Assistance to prepare a summary of these reports and submit the summary to the Joint Legislative Commission on Governmental Operations.

Effective January 1, 2010.

Intro. by Allen, Gibson.

GS 106, 113, 143

August 6, 2009

H 713. EXPAND FILM CREDIT (NEW). Filed 3/19/09. Senate committee substitute makes the following changes to 1st edition. Deletes contents of the previous edition and replaces it with *AN ACT TO PROVIDE FOR AN ALTERNATIVE CREDIT FOR QUALIFYING EXPENSES OF A PRODUCTION COMPANY*. Enacts new GS 105-130.47(b1) (corporation income tax) and new GS 105-151.29(b1) (individual income tax) to allow, in lieu of the credit allowed under subsection (b) (credit equal to 15% of certain production companies' qualifying expenses), a credit for a production company having a minimum of \$250,000 in qualifying expenses equal to 25% of those expenses less the difference between the amount of tax paid on purchases subject to GS 105-187.51 (tax imposed on mill machinery) and the amount of sales or use tax that would have been due on the purchases, if subject to the tax, at the combined rate as defined in GS 105-164.3. Requires that the taxpayer elect whether to claim either credits under the statute at the time the taxpayer files the return on which the credit is claimed. Makes conforming changes.

Effective for taxable years beginning on or after January 1, 2010, and applies to qualifying expenses occurring on or after that date.

July 9, 2010

H 713. NO ADD-BACK FOR FILM CREDIT/APPORTIONMENT (NEW). Filed 3/19/09.

Conference report deletes all provisions of 2nd edition and recommends the following conference committee substitute to reconcile matters in controversy.

Amends GS 105-130.5(a)(10) to provide that the film credit allowed under GS 105-130.47 is excluded from the addition to federal taxable income allowed as a credit against state income tax. Effective for taxable years beginning on or after January 1, 2011.

Adds a new subsection (t2) to GS 105-130.4 to provide that a corporation that, by September 15, 2010, signs a letter of commitment with the Secretary of Commerce certifying that the corporation will invest at least \$500 million in private funds to construct a facility in a development tier one area within five years after construction begins may make a written request to the Secretary for permission to use an alternative apportionment method if the corporation believes the statutory method that otherwise applies subjects a greater portion of its income to tax than is attributable to its business in the state. Provides that all of the provisions of GS 105-130.4(t1) apply to a request for an alternative apportionment method under the proposed subsection except that a decision may apply to no more than 15 tax years. Makes a conforming

change to GS 105-130.4(t1) Makes a similar amendment to GS 105-122(c1) (concerning apportionment of franchise or privilege tax for foreign and domestic corporations) to provide that a corporation that, by September 15, 2010, signs a letter of commitment with the Secretary of Commerce certifying that the corporation will invest at least \$500 million in private funds to construct a facility in a development tier one area within five years after construction begins may make a written request to the Secretary for permission to use an alternative apportionment method if the corporation believes the statutory method that otherwise applies subjects a greater portion of its capital stock, surplus, and undivided profits to tax than is attributable to its business in the state. Provides that all of the provisions of GS 105-122(c1)(2) apply to a request for an alternative apportionment method under the proposed subdivision except that a decision may apply to no more than 15 tax years. Makes a conforming change to GS 105-122(c1)(2). Applies to requests for alternative apportionment formulas filed on or after the act's effective date.

Makes a conforming change to the title.

July 14, 2010

SL 2010-89 (H 713). NO ADD-BACK FOR FILM CREDIT/APPORTIONMENT. AN ACT TO PROVIDE THAT THE ADDITION TO FEDERAL TAXABLE INCOME OF AMOUNTS ALLOWED AS A CREDIT AGAINST NORTH CAROLINA INCOME DOES NOT APPLY TO THE FILM CREDIT AND TO INCREASE THE PERIOD OF TIME FOR WHICH THE SECRETARY OF REVENUE MAY ALLOW A CORPORATION TO USE AN ALTERNATIVE APPORTIONMENT FORMULA. Summarized in *Daily Bulletin* 7/9/10. Enacted July 11, 2010. Section 1 is effective for taxable years beginning January 1, 2011. The remainder is effective July 11, 2010. Section 2 applies to requests for alternative apportionment formulas filed on or after July 11, 2010.