

ADOPTED



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 1030

AMENDMENT NO. A27
(to be filled in by
Principal Clerk)

H1030-ASV-150 [v.1]

Page 1 of 2

Amends Title [NO]
Third Edition

Date _____, 2016

Representative Howard

1 moves to amend the bill on page 144, lines 10-11, by inserting the following between the lines:

2 "(5n) Sales to a large manufacturing and distribution facility of mill machinery,
3 distribution machinery, or parts or accessories for mill machinery or
4 distribution machinery. The term "accessories" does not include electricity.

5 (a) Definition. – For the purposes of this subdivision, a "large
6 manufacturing and distribution facility" is a facility that is to be used
7 primarily for manufacturing or assembling products and distributing
8 finished products for which the Secretary of Commerce makes a
9 certification that an investment of private funds of at least eighty million
10 dollars (\$80,000,000) has been or will be made in real and tangible
11 personal property for the facility within five years after the date on
12 which the first property investment is made and that the facility will
13 achieve an employment level of at least 550 within five years after the
14 date the facility is placed into service and maintain that minimum level
15 of employment throughout its operation.

16 b. Forfeiture. – If the required level of investment or employment to
17 qualify as a large manufacturing and distribution facility is not timely
18 made, achieved, or maintained, then the exemption provided under this
19 subdivision is forfeited. If the exemption is forfeited due to a failure to
20 timely make the required investment or to timely achieve the minimum
21 required employment level, then the exemption provided under this
22 subdivision is forfeited on all purchases. If the exemption is forfeited
23 due to a failure to maintain the minimum required employment level
24 once that level has been achieved, then the exemption provided under
25 this subdivision is forfeited for those purchases occurring on or after the
26 date the taxpayer fails to maintain the minimum required employment
27 level. A taxpayer that forfeits a exemption under this subdivision is
28 liable for all past sales and use taxes avoided as a result of the forfeiture,
29 computed at the applicable State and local exemptions from the date the
30 taxes would otherwise have been due, plus interest at the rate
31 established under G.S. 105-241.21. Interest is computed from the date
32 the sales or use tax would otherwise have been due. A credit is allowed



* H 1 0 3 0 - A S V - 1 5 0 - V - 1 *

NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 1030

ADOPTED

AMENDMENT NO. A27
(to be filled in by
Principal Clerk)

H1030-ASV-150 [v.1]

Page 2 of 2

1 against the State sales or use tax owed as a result of the forfeiture
2 provisions of this subdivision for privilege taxes paid pursuant to
3 this subdivision. For purposes of applying this credit, the fact that
4 payment of the privilege tax occurred in a period outside the statute of
5 limitations provided under G.S. 105-241.6 is not considered. The credit
6 reduces the amount forfeited, and interest applies only to the reduced
7 amount. The past taxes and interest are due 30 days after the date of
8 forfeiture. A taxpayer that fails to pay the past taxes and interest by the
9 due date is subject to the provisions of G.S. 105-236.
10 (d) Sunset. – This subdivision expires for sales occurring on or after July 1,
11 2018."
12

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

**The official copy of this document, with signatures
and vote information, is available in the
House Principal Clerk's Office**