

2012 FINANCE LAW CHANGES

REVENUE LAWS STUDY COMMITTEE
OCTOBER 3, 2012

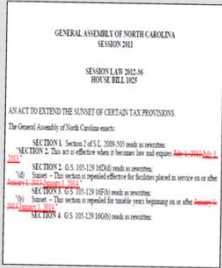
REVENUE LAWS RECOMMENDATIONS

- ✓ Extend Tax Provisions
- ✓ Expedited Rulemaking for Forced Combination
- ✓ Unemployment Insurance Changes
- ✓ Appraisal Management Companies Reported to DOR
- ✓ Technical, Clarifying, and Administrative Changes



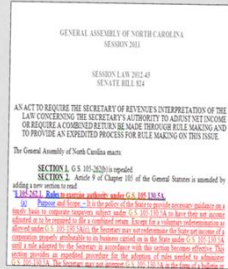
EXTEND TAX SUNSETS

- Extended through 2013
- Tax Modernization
- Exceptions
 - Historic Rehab
 - Historic Mill Property
 - Film (S.L. 2012-194)



EXPEDITED RULE MAKING FOR FORCED COMBINATION

- DOR must adopt rules before it may issue a proposed assessment or proposed denial of a refund
- Expedited process may be completed in less than two months

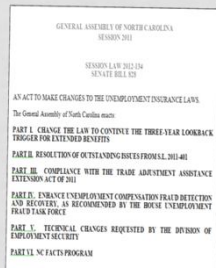


EXPEDITED RULE MAKING

- Rules Review Commission limited review
 - Is rule w/in the authority delegated to DOR?
 - Is it clear and unambiguous?
 - Is it reasonably necessary?
 - Was it adopted in accordance with law?
- Limited to combined reporting
- Should DOR be required to go through rule making for all interpretations?
 - Technical bulletins
 - Directives

UNEMPLOYMENT INSURANCE CHANGES

- No finance related provisions
- Benefits, Integrity, Improper Payments
- House Unemployment Fraud Task Force



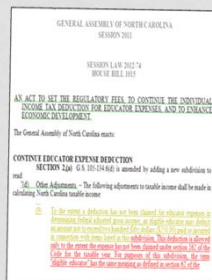
APPRAISAL MANAGEMENT COMPANIES

- NC Appraisal Board must report information annually to DOR
- To enhance compliance of out-of-state companies with payment of tax



ECONOMIC DEVELOPMENT & FINANCE CHANGES

- PIT deduction for educator expenses
- Sales tax refund for aviation fuel
- IDF moneys for sewer infrastructure
- Temporary 20-year carryforward under Article 3J
- Port enhancement zone – technical correction



CAP ON MOTOR FUEL TAX RATE

- Modify 2011 Appropriations Act (Sec. 24.11 of S.L. 2012-142)
- 2011 Variable rate capped at 37.5 cents/gallon
- For period July 1, 2012 through June 30, 2013



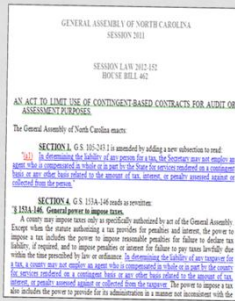
RTP DISTRICT AMENDMENTS

- Allows mixed use development in Research Triangle Park
- Creation of urban research service districts (URSD)
- Tax rate in URSD cannot exceed rate levied in the city with the largest population contiguous to URSD



CONTINGENCY CONTRACTS FOR AUDITS/ ASSESSMENTS

- Prohibits use of contingent fee based contracts by DOR, State Treasurer, and Local Governments
- Prohibition for local governments expires July 1, 2015 (S.L. 2012-194)





2011-2012 Session

Welcome to the Revenue Laws Study Committee

The Revenue Laws Study Committee originated in 1979 and has met regularly during the legislative sessions since that time. In 1991, the General Assembly established the Committee as a permanent, statutory committee charged with studying the revenue laws of North Carolina and the administration of those laws. The Committee reviews the State's revenue laws to determine which laws need clarification, technical amendment, repeal, or other change to make the laws concise, intelligible, easy to administer, and equitable. The Committee is composed of twenty members, ten appointed by the President Pro Tem of the Senate and ten appointed by the Speaker of the House of Representatives.

This site contains information regarding committee membership, upcoming meetings and related events, tracks legislation recommended by the Committee, and provides documents and reports distributed at previous meetings. The Committee members hope you find this site helpful.

Authorizing Legislation

Committee Membership

Outgoing Documents

Reports to Revenue Laws

Previous NC Tax Studies

Revenue Laws Reports to the General Assembly

Revenue Law Changes

NCRS Home Page

NEXT MEETING:

Wednesday, October 3, 2012

MEETINGS: First

Wednesday of every

month at 9:30 am in

Room 344

[HTTP://WWW.NCLEG.NET/DOCUMENTS/SITES/COMMITTEES/REVENUELAWS/HOMEPAGE/INDEX.HTML](http://www.ncleg.net/documents/sites/committees/REVENUELAWS/HOMEPAGE/INDEX.HTML)

REVENUE LAWS WEBSITE
