

GENERAL ASSEMBLY OF NORTH CAROLINA
1985 SESSION

CHAPTER 1007
HOUSE BILL 1445

AN ACT AUTHORIZING THE SECRETARY OF REVENUE TO PERMIT RETAILERS AND USERS WHO REMIT SALES AND USE TAXES ON A SEMIMONTHLY BASIS TO FILE ESTIMATED RETURNS, AND REQUIRING THAT INTEREST BE WAIVED FOR CERTAIN SALES TAX RETURNS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.16(b) is amended by deleting the word "bimonthly" each time it appears in that subsection and substituting the word "semimonthly".

Sec. 2. G.S. 105-164.16(b) is further amended by adding the following sentences at the end of the last paragraph of that subsection to read:

"A taxpayer who is directed to remit sales and use taxes on a semimonthly basis but who is unable to gather the information required to submit a complete return for either the first reporting period or both the first and second semimonthly reporting periods may, upon written authorization by the Secretary, file an estimated return for that first reporting period or both periods on the basis prescribed by the Secretary. Once a taxpayer is authorized to file an estimated return for the first period or both periods, the taxpayer may continue to file an estimated return for the first or both periods until the Secretary, by written notification, revokes the taxpayer's authorization to do so. When filing a return for the second semimonthly reporting period, a taxpayer who files an estimated return for the first period but not both periods shall remit the amount of tax due for both the first and second reporting periods, less the amount he remitted with his estimated return.

A taxpayer who files an estimated return for both periods is considered to have been granted an extension for both the first and second reporting periods. Notwithstanding G.S. 105-164.19, if a taxpayer who files an estimated return for both periods files a reconciling return for those periods within ten days of the due date of the return for the second period and any underpayment of estimated taxes remitted with the reconciling return is less than ten percent (10%) of the amount of taxes due for both the first and second reporting periods, no interest shall be charged. Otherwise, a taxpayer who files an estimated return for both periods shall be charged interest at the statutory rate from the due date of the return for the first reporting period to the date the reconciling return is filed."

Sec. 3. This act shall become effective August 1, 1986, and shall apply to reporting periods on or after that date.

In the General Assembly read three times and ratified, this the 14th day of July, 1986.