

GENERAL ASSEMBLY OF NORTH CAROLINA  
1987 SESSION

CHAPTER 615  
HOUSE BILL 9

AN ACT TO CONFORM THE PENALTIES FOR LATE PAYMENTS OF  
INHERITANCE TAX TO THOSE APPLICABLE TO LATE PAYMENTS OF  
ALL OTHER TAXES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-16 is rewritten to read:

"§ 105-16. **Interest and penalty.**—All taxes imposed by this Article shall be due and payable at the death of the testator, intestate, grantor, donor or vendor; if not paid within nine months from date of death of the testator, intestate, grantor, donor or vendor, such tax shall bear interest at the rate established pursuant to G.S. 105-241.1(i), to be computed from the expiration of nine months from the date of the death of such testator, intestate, grantor, donor or vendor until paid: Provided, that if the taxes herein levied shall not be paid in full within nine months from the later of the date of death of the testator, intestate, grantor, donor or vendor, or from the qualification of the executor or administrator, then and in such case a penalty of ten per centum (10%) upon the amount of taxes remaining due and unpaid shall be added: Provided further, that the penalty of ten per centum (10%) herein imposed may be remitted by the Secretary of Revenue in case of unavoidable delay in settlement of estate or of pending litigation, and the Secretary of Revenue is further authorized, in case of protracted litigation or other delay in settlement not attributable to laches of the party liable for the tax, to remit all or any portion of the interest charges accruing under this schedule, with respect to so much of the estate as was involved in such litigation or other unavoidable cause of delay. Provided, that the time for payment and collection of such tax may be extended by the Secretary of Revenue for reasonable cause shown."

Sec. 2. This act shall become effective August 1, 1987, and shall apply to the estates of decedents dying on or after that date.

In the General Assembly read three times and ratified this the 14th day of July, 1987.