

GENERAL ASSEMBLY OF NORTH CAROLINA  
1987 SESSION

CHAPTER 852  
SENATE BILL 217

AN ACT TO PROMOTE ECONOMIC DEVELOPMENT BY AUTHORIZING TAX CREDITS FOR CERTAIN BUSINESS INVESTMENTS AND BY AUTHORIZING THE CREATION OF NORTH CAROLINA CAPITAL RESOURCE CORPORATIONS.

The General Assembly of North Carolina enacts:

Section 1. Article 4 of Chapter 105 of the General Statutes is amended by adding at the end a new Division to read:

"Division V.

"Income Tax Credits for Qualified Business Investments.

"§ 105-163.091. **Definitions.**—The following definitions apply in this Division:

(1) **Affiliate.** An individual or business that controls, is controlled by, or is under common control with another individual or business.

(2) **Business.** A corporation, partnership, association, or sole proprietorship operated for profit.

(3) **Control.** To have the power directly or indirectly to direct or cause the direction of the management or policies of a business, whether by ownership of voting securities, by contract, or otherwise. As used in this subdivision, the term 'voting security' means a security that (i) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (ii) is convertible into, or entitles the holder to receive upon its exercise, a security that confers such a right to vote. A general partnership interest is a voting security.

(4) **Equity security.** Common stock, preferred stock, or an interest in a partnership, or subordinated debt that is convertible into, or entitles the holder to receive upon its exercise, common stock, preferred stock, or an interest in a partnership.

(5) **Financial institution.** A business that is (i) a bank holding company, as defined in the Bank Holding Company Act of 1956, 12 U.S.C. §§ 1841 et seq., or its wholly-owned subsidiary, (ii) registered as a broker-dealer under the Securities Exchange Act of 1934, 15 U.S.C. §§ 78a et seq., or its wholly-owned subsidiary, (iii) an investment company as defined in the Investment Company Act of 1940, 15 U.S.C. §§ 80a-1 et seq., whether or not it is required to register under that act, (iv) a small business investment company as defined in the Small Business Investment Act of 1958, 15 U.S.C. §§ 661 et seq., (v) a pension or profit-sharing fund or trust, or (vi) a bank, savings institution, trust company, financial services company, or insurance company; provided, however, that a business, other than a small business investment company, is not a financial institution if its net worth, when added to the net worth of all of its

affiliates, is less than ten million dollars (\$10,000,000); provided further, however, that a business is not a financial institution if it does not generally market its services to the public and it is controlled by a business that is not a financial institution.

(6) North Carolina Capital Resource Corporation. A corporation established in accordance with Article 2 of Chapter 53A of the General Statutes.

(7) Qualified business venture. A North Carolina business that (i) engages primarily in manufacturing, processing, warehousing, wholesaling, research and development, or a service-related industry, and (ii) is registered with the Secretary of State under G.S. 105-163.094.

(8) Qualified grantee business. A North Carolina business that (i) has received during the preceding three years a grant or other funding from the North Carolina Technological Development Authority, the North Carolina Biotechnology Center, the Microelectronics Center of North Carolina, or the Federal Small Business Innovation Research Program, and (ii) is registered with the Secretary of State under G.S. 105-163.094.

(9) Qualified investment organization. A business that (i) has as its primary business activity the investment in equity securities or subordinated debt of qualified business ventures or qualified grantee businesses and (ii) is registered with the Secretary of State under G.S. 105-163.094.

(10) Security. A security as defined in Section 2(1) of the Securities Act of 1933, 15 U.S.C. § 77b(1).

(11) Subordinated debt. Indebtedness that (i) by its terms matures five or more years after its issuance, (ii) is not secured, and (iii) is subordinated to all other indebtedness of the issuer issued or to be issued to a financial institution other than a financial institution described in subdivisions (5)(ii) through (5)(v) of this section. Any portion of indebtedness that matures earlier than five years after its issuance is not subordinated debt.

**"§ 105-163.092. Income tax credit allowed.**—(a) Corporations. Subject to the limitations contained in G.S. 105-163.093, a corporation that invests in the equity securities of a North Carolina Capital Resource Corporation or a qualified investment organization is allowed as a credit against the tax imposed by Division I of this Article for the taxable year an amount equal to twenty-five percent (25%) of the amount invested or seven hundred fifty thousand dollars (\$750,000), whichever is less. The credit may not be taken for the year in which the investment is made but shall be taken for the taxable year beginning during the calendar year following the calendar year in which the investment was made.

(b) Individuals. Subject to the limitations contained in G.S. 105-163.093, an individual who invests in the equity securities or subordinated debt of (i) a North Carolina Capital Resource Corporation, (ii) a qualified investment organization, (iii) a qualified business venture, or (iv) a qualified grantee business is allowed as a credit against the tax imposed by Division II of this Article for the taxable year an amount equal to twenty-five percent (25%) of the amount invested or one hundred thousand dollars (\$100,000), whichever is less. The credit may not be taken for the year in which

the investment is made but shall be taken for the taxable year beginning during the calendar year following the calendar year in which the investment was made.

(c) Application. To be eligible for the income tax credit provided in this section, the taxpayer must file an application for the credit with the Secretary of Revenue on or before April 15 of the year following the calendar year in which the investment was made. The application shall be on a form prescribed by the Secretary and shall include any supporting documentation that the Secretary may require.

(d) Penalties. The penalties provided in G.S. 105-236 apply in this Division.

**"§ 105-163.093. Limit; carry-over; ceiling.**—(a) The credit allowed a taxpayer under G.S. 105-163.092 may not exceed the amount of tax imposed by Division I or II of this Article for the taxable year reduced by the sum of all other credits allowable except tax payments made by or on behalf of the taxpayer. The amount of unused credit allowed under G.S. 105-163.092 may be carried forward for the next five succeeding years.

(b) The total amount of all tax credits allowed to taxpayers under G.S. 105-163.092 for investments made in a calendar year may not exceed twelve million dollars (\$12,000,000). The Secretary of Revenue shall calculate the total amount of tax credits claimed from the applications filed pursuant to G.S. 105-163.092(c). If the total amount of tax credits claimed for investments made in a calendar year exceeds twelve million dollars (\$12,000,000), the Secretary shall allow a portion of the credits claimed on the following basis:

- (1) A total of six million dollars (\$6,000,000) in tax credits for investments in North Carolina Capital Resource Corporations shall be allocated among all taxpayers claiming the credits in proportion to the size of the credit claimed by each taxpayer.
- (2) A total of six million dollars (\$6,000,000) in tax credits for investments in qualified investment organizations, qualified business ventures, and qualified grantee businesses shall be allocated among all taxpayers claiming the credits in proportion to the size of the credit claimed by each taxpayer.
- (3) If the total amount of the credits claimed by taxpayers for the investments described in either subdivision (1) or (2) is less than six million dollars (\$6,000,000), the Secretary shall allow additional credits for the investments described in the other subdivision until the total amount of all tax credits allowed equals twelve million dollars (\$12,000,000).

(c) If a credit claimed under G.S. 105-163.092 is reduced as provided in this section, the Secretary shall notify the taxpayer of the amount of the reduction of the credit on or before December 31 of the year following the calendar year in which the investment was made. The Secretary's allocations based on applications filed pursuant to G.S. 105-163.092(c) are final and shall not be adjusted to account for credits applied for but not claimed.

**"§ 105-163.094. Registration.**—(a) Qualified Investment Organizations. In order to qualify as a qualified investment organization under this Division, a business must be registered with the Securities Division of the Department of the Secretary of State. To

register, the business must file with the Secretary of State an application in which the business certifies the following facts:

- (1) It intends to invest at least seventy percent (70%) of its capital in equity securities or subordinated debt of qualified business ventures or qualified grantee businesses;
- (2) It has an initial capitalization of at least five million dollars (\$5,000,000), of which no more than two million dollars (\$2,000,000) is to be contributed pursuant to binding commitments;
- (3) It does not own the securities of any business for the purpose of operating the business or for any purpose other than as an investment for future sale;
- (4) It is controlled by a financial institution or is not controlled by another business; and
- (5) It was not organized to invest in only one business or one group of businesses that conduct the same or a similar type of business activity.

To remain qualified as a qualified investment organization under this Division, the business must renew its registration annually by filing an application for renewal in which the business certifies the facts required in the original application and describes its investments in qualified business ventures and qualified grantee businesses. Upon termination of the qualified investment organization, it shall file a final report describing its investments in qualified business ventures and qualified grantee businesses and certifying that it invested at least seventy percent (70%) of its capital in equity securities or subordinated debt of such businesses.

If a qualified business venture in which the qualified investment organization has invested fails to file an application for renewal of registration under subsection (b) of this section or if the registration of the qualified business venture is revoked by the Secretary of State, any investment by the qualified investment organization in the business venture within five years after the qualified investment organization's initial investment in the business venture is, for the purpose of this Division, an investment in a qualified business venture.

(b) **Qualified Business Ventures.** In order to qualify as a qualified business venture under this Division, a business must be registered with the Securities Division of the Department of the Secretary of State. To register, the business must file with the Secretary of State a financial statement certified by an independent certified public accountant for its most recent fiscal year showing revenues, as determined in accordance with generally accepted accounting procedures, of five million dollars (\$5,000,000) or less on a consolidated basis and an application in which it certifies the following facts:

- (1) Its headquarters and principal business operations are in North Carolina or it has, as a condition of an investment eligible for a credit under this Division, agreed to establish its headquarters and principal business operations in North Carolina within three months after the investment is made;

- (2) It has, as a condition of an investment eligible for a credit under this Division, agreed to retain its headquarters and principal business operations in North Carolina for at least three years after the investment is made;
- (3) It is organized to engage primarily in manufacturing, processing, warehousing, wholesaling, research and development, or a service-related industry; and
- (4) It does not engage as a substantial part of its business in construction, contracting, selling goods at retail, or the purchase, sale, development, or holding for investment of commercial paper, financial instruments, securities, or real property, or otherwise make investments.

To remain qualified as a qualified business venture, the business must renew its registration annually by filing a financial statement for the most recent fiscal year and an application for renewal in which the business certifies the facts required in the original application and that it has not moved its headquarters or principal business operations out of North Carolina.

(c) **Qualified Grantee Businesses.** In order to qualify as a qualified grantee business under this Division, a business must be registered with the Securities Division of the Department of the Secretary of State. To register, the business must file with the Secretary of State an application in which the business certifies the following facts:

- (1) Its headquarters and principal business operations are in North Carolina or it has, as a condition of an investment eligible for a credit under this Division, agreed to establish its headquarters and principal business operations in North Carolina within three months after the investment is made;
- (2) It has, as a condition of an investment eligible for a credit under this Division, agreed to retain its headquarters and principal business operations in North Carolina for at least three years after the investment is made; and
- (3) It has received during the preceding three years a grant or other funding from the North Carolina Technological Development Authority, the North Carolina Biotechnology Center, the Microelectronics Center of North Carolina, or the Federal Small Business Innovation Research Program.

To remain qualified as a qualified grantee business, the business must renew its registration annually by filing an application for renewal in which the business certifies the facts required in the original application and that it has not moved its headquarters or principal business operations out of North Carolina.

(d) **Application Forms; Fees.** Applications for registration and for renewal of registration under this section shall be in such form as the Secretary of State may prescribe. The Secretary may, by rule, require applicants to furnish supporting information in addition to the information required by subsections (a), (b), and (c) of this section. The Secretary shall prepare blank forms for the applications and shall distribute them throughout the State and furnish them on request. Each application shall

be signed by the owners of the business or, in the case of a corporation, by its president, vice-president, treasurer, or secretary. There shall be annexed to the application the affirmation of the person making the application in the following form: 'Under penalties prescribed by law, I certify and affirm that to the best of my knowledge and belief this application is true and complete.'

The fee for filing an application for registration under this section shall be one hundred dollars (\$100.00). The fee for filing an application for renewal of registration under this section shall be fifty dollars (\$50.00).

(e) Revocation of Registration. If the Securities Division of the Department of the Secretary of State finds that any of the information contained in an application of a business registered under this section is false, it shall revoke the registration of the business.

**"§ 105-163.095. Forfeiture of credit.**—If the Commissioner of Banks certifies that a North Carolina Capital Resource Corporation has failed to comply with the requirements of Article 2 of Chapter 53A of the General Statutes, every taxpayer who has received a tax credit under this Division for an investment in the corporation made during the preceding five years forfeits the credit. If a qualified investment organization fails to file an application for renewal of registration under G.S. 105-163.094 or if its registration is revoked by the Secretary of State, every taxpayer who has received a tax credit under this Division for an investment in the organization made during the preceding five years forfeits the credit.

A taxpayer who has received a tax credit under this Division for an investment in a qualified business venture or qualified grantee business forfeits the credit if, within three years after the investment was made, (i) he participates in the operation of the qualified business venture or qualified grantee business, (ii) the qualified business venture or qualified grantee business fails to file an application for renewal of registration under G.S. 105-163.094, or (iii) the registration of the qualified business venture or qualified grantee business is revoked by the Secretary of State. For the purpose of this section, a taxpayer participates in the operation of a qualified business if the taxpayer, his spouse, parent, or child, or an employee of any of these individuals or of a business controlled by any of these individuals, provides services of any nature to the qualified business for compensation, whether as an employee, a contractor, or otherwise. However, a person who serves as a member of the board of directors of a business does not participate in its operation if he performs only the functions ordinarily performed by directors and receives as compensation only reasonable reimbursement of expenses incurred in serving as a director. A person who owns stock in a business does not participate in its operation if he performs only the functions ordinarily performed by shareholders.

A taxpayer who forfeits a credit under this section is liable for all past taxes avoided as a result of the credit plus interest at the rate established under G.S. 105-241.1(i), computed from the date the taxes would have been due if the credit had not been allowed. The past taxes and interest are due 30 days after the date the credit is forfeited; a taxpayer who fails to pay the past taxes and interest by the due date is subject to the penalties provided in G.S. 105-236."

Sec. 2. Chapter 53A of the General Statutes is amended as follows:

- (1) By rewriting the title of that Chapter to read: "Business Development Corporations and North Carolina Capital Resource Corporations.";
- (2) By deleting the word "Chapter" everywhere it appears except in the heading of the Chapter and substituting the word "Article";
- (3) By designating G.S. 53A-1 through G.S. 53A-18 as Article 1 of that Chapter, entitled "Business Development Corporations."; and
- (4) By adding at the end a new Article to read:

"Article 2.

"North Carolina Capital Resource Corporations.

**"§ 53A-20. Definitions.**—The following definitions apply in this Article:

(1) **Affiliate.** An individual or business that controls, is controlled by, or is under common control with another individual or business.

(2) **Business.** A corporation, partnership, association, or sole proprietorship operated for profit.

(3) **Control.** To have the power directly or indirectly to direct or cause the direction of the management or policies of a business, whether by ownership of voting securities, by contract, or otherwise. As used in this subdivision, the term 'voting security' means a security that (i) confers upon the holder the right to vote for the election of members of the board of directors or similar governing body of the business or (ii) is convertible into, or entitles the holder to receive upon its exercise, a security that confers such a right to vote. A general partnership interest is a voting security.

(4) **Equity security.** Common stock, preferred stock, or an interest in a partnership, or subordinated debt that is convertible into, or entitles the holder to receive upon its exercise, common stock, preferred stock, or an interest in a partnership.

(5) **Financial institution.** An insurance company, banking corporation, trust company, savings and loan association, credit union, or other entity principally engaged in the business of lending money or receiving or soliciting money on deposit.

(6) **Mezzanine finance.** An investment in the equity securities or subordinated debt of a North Carolina investment business.

(7) **North Carolina investment business.** A business whose headquarters and principal business operations are located in North Carolina and which, together with its affiliates on a consolidated basis, had gross income during the immediately preceding fiscal year, determined in accordance with generally accepted accounting principles without taking into account extraordinary items, of less than forty million dollars (\$40,000,000).

(8) **Security.** A security as defined in Section 2(1) of the Securities Act of 1933, 15 U.S.C. § 77b(1).

(9) **Subordinated debt.** Indebtedness that (i) by its terms matures five or more years after its issuance, (ii) is not secured, and (iii) is subordinated to all other indebtedness of the issuer issued or to be issued to a financial institution. Any portion of indebtedness that matures earlier than five years after its issuance is not subordinated debt.

**"§ 53A-21. Incorporation authorized.**—(a) Fifteen or more persons, a majority of whom are residents of this State, may, by filing a certificate of incorporation as provided in subsection (b), incorporate a North Carolina Capital Resource Corporation under the provisions of this Article. The purpose of the corporation shall be to promote, stimulate, develop, and advance the business prosperity and economic welfare of the State by providing mezzanine finance to North Carolina investment businesses that otherwise lack access to the financing necessary to undergo expansion or restructuring to remain competitive and meet new market demands and that have the potential to create high-quality jobs and to diversify and stabilize the State's economic base; and to provide mezzanine finance to otherwise stimulate and assist in the expansion of business activity to promote economic development and maintain the economic stability of the State, provide maximum opportunities for employment, encourage thrift, and improve the standard of living of the citizens of this State.

(b) Persons who wish to associate themselves for the purpose of establishing a North Carolina Capital Resource Corporation shall file a certificate of incorporation with the Secretary of State. The certificate shall be in accordance with the provisions of G.S. 55-7 and shall set forth:

- (1) The name of the corporation, which shall include the words 'North Carolina Capital Resource Corporation';
- (2) The location of the principal office of the corporation and the names and addresses of the incorporators who shall manage the affairs of the corporation until the first meeting of the holders of common stock;
- (3) The specific purpose for which the corporation is formed;
- (4) Any provisions, not inconsistent with law, that the incorporators wish to insert for the regulation of the affairs of the corporation or to create, define, limit, or regulate the powers of the corporation; and
- (5) The provisions relating to capital stock set out in G.S. 53A-22.

**"§ 53A-22. Capital stock; provisions of certificates of incorporation.**—The certificate of incorporation shall set forth the amount of total authorized capital stock and the number of shares in which it is divided, the par value of each share, the amount of capital stock with which it will commence business, and, if there is more than one class of stock, a description of the different classes, the names and post-office addresses of the subscribers of stock, the number of shares subscribed by each, and the number of shares subscribed that are not fully paid for. The aggregate of the subscription shall be the amount of capital with which the corporation will commence business. The certificate of incorporation shall be accompanied by a certificate from each depository holding on deposit the funds of the corporation, certifying the amount of funds on deposit to the credit of the corporation.

**"§ 53A-23. Approval and filing of certificates; authority of incorporators.**—Before the certificate of incorporation may become effective, it shall be approved by the Commissioner of Banks and, from the date the certificate of incorporation is filed with the Secretary of State, with a copy of the Commissioner's certificate of approval, the stock subscribers shall become a body corporate by the name specified in the certificate, subject to amendment and dissolution as provided in this Article. Any bylaws or



regulations adopted by the directors of the corporation and any amendments to the bylaws or regulations shall be filed with the Secretary of State.

**"§ 53A-24. Powers.**—A North Carolina Capital Resource Corporation created under this act shall have all the powers conferred on business corporations by Chapter 55 of the General Statutes subject to the provisions of G.S. 53A-26 and to the following restrictions:

(1) The corporation may not incur any secondary liability by way of guaranty or endorsement of the obligations of any person or entity.

(2) The corporation may not make any loan to or investment in a business unless the business can demonstrate that it applied for financing through ordinary private financial channels and the application was refused by at least two financial institutions.

(3) The corporation may not invest in a business if the funds invested are to be used by the business (i) to acquire, whether by purchase, merger, consolidation, or otherwise, the securities of another business, all or substantially all of the assets of another business, or any of its own securities, (ii) to decrease its own indebtedness by more than ten percent (10%), or (iii) to establish or expand production operations outside of North Carolina. For the purpose of this section, the funds invested have been used by a business for one of these prohibited purposes if (i) they are used to repay indebtedness incurred to achieve the prohibited purpose, (ii) assets acquired with the funds are used to secure indebtedness incurred to achieve the prohibited purpose, or (iii) within one year before or after the investment is made, the business achieves the prohibited purpose.

**"§ 53A-25. Board of directors; officers.**—The business and affairs of the North Carolina Capital Resource Corporation shall be managed and conducted by a board of directors, a president, a treasurer, and such other officers and agents as the corporation by its bylaws shall authorize. A board of directors comprised of at least nine members shall be elected in the first instance by the incorporators and thereafter annually by the voting common stock shareholders in accordance with the following conditions:

(1) At least a majority of the directors shall be representatives of North Carolina financial institutions who represent a reasonable balance of the relative proportion of investment in the common stock of the corporation by financial institutions;

(2) At least one member shall be a representative of venture capitalists or investment counselors who are familiar with the types of investments to be made by the corporation; and

(3) At least two members shall represent industries in primary, job-creating business sectors of special importance to the North Carolina economy.

The board of directors shall conduct a national search and select a president for the corporation who meets national standards of experience, ability, and initiative for chief executive officers of other corporations engaged in investments of the type to be undertaken by the corporation.

**"§ 53A-26. Investment committee.**—The board of directors shall form an investment committee to evaluate and act upon specific investments. A North Carolina Capital Resource Corporation may not make investments except in accordance with the following provisions:

(1) The corporation shall, to the maximum extent practicable, invest and reinvest its funds in investments that meet the terms and conditions provided in G.S. 53A-27. Within five years after receipt of any capital, the corporation shall invest at least ninety percent (90%) of that capital in investments that meet the terms and conditions provided in G.S. 53A-27.

(2) Funds not invested in these investments may be invested and reinvested in securities that constitute marketable general obligations of this State or its political subdivisions. The corporation shall dispose of the securities from time to time as may be appropriate to provide funds to invest in the investments described in subdivision (1).

(3) Funds not invested in the investments described in subdivision (1) or (2) may be deposited in federally insured financial institutions whose principal place of business is in this State.

**"§ 53A-27. Primary investments.**—The primary investments of a North Carolina Capital Resource Corporation shall meet the following terms and conditions:

(1) Investments shall be in North Carolina investment businesses that have significant potential to create jobs and diversify and stabilize the economy of this State.

(2) Investments may not be made in a business whose primary activity is real estate development, acting as a financial intermediary, or construction contracting, or who is a public utility.

(3) Investments may not be made in a business whose primary activity is selling goods at retail, unless the investment is in a division of the business whose primary activity is not selling goods at retail.

(4) The investments shall be in mezzanine finance.

(5) Total investments in any one business may not exceed ten percent (10%) of the equity capital of the North Carolina Capital Resource Corporation.

**"§ 53A-28. Amendment of charter.**—The charter of a North Carolina Capital Resource Corporation may be amended by the votes of the stockholders of the corporation, voting separately by classes. The amendments shall require approval by the affirmative vote of two-thirds (2/3) of the votes to which the stockholders are entitled. No amendment that is inconsistent with the provisions of this Article may be made. Within 120 days after any meeting at which an amendment of the charter has been adopted, articles of amendment signed and sworn to by the president, treasurer, and a majority of the directors, setting forth the amendment and its due adoption, shall be submitted to the Secretary of State, who shall examine them and, if he finds that they conform to the requirements of this Article, shall so certify and endorse his approval thereon. Thereupon, the articles of amendment shall be filed in the office of the Secretary of State; no amendment shall take effect until articles of amendment have been filed in the office of the Secretary of State.

**"§ 53A-29. Earned surplus requirements; determination of net earnings and surplus.**—Each year the North Carolina Capital Resource Corporation shall set apart as earned surplus not less than ten percent (10%) of its net earnings for the preceding fiscal year until such surplus shall be equal in value to one-half (1/2) of the amount paid in on the capital stock then outstanding. Whenever the amount of surplus established becomes impaired, it shall be built up again to the required amount in the manner

provided for its original accumulation. Net earnings and surplus shall be determined by the board of directors, after providing for such reserves as the directors deem desirable, and the directors' determination made in good faith shall be conclusive.

**"§ 53A-30. Deposits by corporation in financial institution.**—A North Carolina Capital Resource Corporation may not deposit any of its funds in a financial institution unless the institution has been designated as a depository by a vote of a majority of the directors present at an authorized meeting of the board of directors, exclusive of any director who is an officer or director of the depository so designated.

**"§ 53A-31. Examinations and reports.**—North Carolina Capital Resource Corporations shall be subject to the examination of the Commissioner of Banks. Within 60 days after the end of each fiscal year, every North Carolina Corporation shall report to the Commissioner of Banks who shall make copies of the reports available to the Commissioner of Insurance, the Governor, the State Treasurer, and the General Assembly. Each report shall include:

- (1) An analysis of the condition of the corporation;
- (2) The manner in which the corporation has carried out its purpose;
- (3) The total annual investments by the corporation in North Carolina businesses;
- (4) An estimate of jobs created or preserved by the investments;
- (5) An analysis of the corporation's diversification of its loans and investments by size, business sector, and geographic location; and
- (6) Any other information required by the Commissioner of Banks.

**"§ 53A-32. Tax credit.**—A person or corporation that invests in the equity securities of a North Carolina Capital Resource Corporation may be entitled to a tax credit as provided in G.S. 105-163.092.

**"§ 53A-33. Duration of corporation.**—The period of duration of the corporation shall be 50 years.

**"§ 53A-34. Charter void unless business begun; Article void unless corporation organized.**—If a corporation organized pursuant to this Article fails to begin business within three years after the effective date of its charter then its charter is null and void. If, at the expiration of three years after July 1, 1987, no corporation has been organized pursuant to this Article, then on that date this Article shall expire."

Sec. 3. Section 1 of this act is effective for taxable years beginning on or after January 1, 1988. The remainder of this act is effective upon ratification.

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