

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 1868
Committee Substitute Favorable as Amended - Engrossed 6/26/89

Short Title: N.C. Ports Tax Incentive.

(Public)

Sponsors:

Referred to:

May 10, 1989

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE A TAX CREDIT FOR THE USE OF NORTH CAROLINA
3 PORTS.

4 Whereas, the State of North Carolina ranks first in the Southeast in exporting;
5 and

6 Whereas, the North Carolina State Ports Authority serves hundreds of
7 industries and businesses in North Carolina by moving over 8 million tons of cargo
8 from its ports on an annual basis; and

9 Whereas, seventy percent (70%) of the State's imports and exports are
10 shipped from ports outside the State; and

11 Whereas, the State Ports at Wilmington and Morehead City have the capacity
12 to accommodate additional vessel calls and cargo; and

13 Whereas, the increased use of the State's seaports would enhance and
14 accelerate economic development in the State; Now, therefore,
15 The General Assembly of North Carolina enacts:

16 Section 1. Article IV, Schedule D, Division I of Chapter 105 of the General
17 Statutes is amended by adding a new section to read:

18 "**§ 105-130.41. Credit for North Carolina State Ports Authority wharfage, storage,
19 and handling charges.**

20 (a) Any corporation utilizing the deep water docks at the Wilmington or
21 Morehead City ports for the import or export of cargo that is loaded or unloaded from
22 an ocean carrier calling at either port shall be allowed a credit against the tax imposed
23 by the Division. The credit shall be equal to one hundred percent (100%) of the

1 wharfage, storage and handling charges assessed by the North Carolina State Ports
2 Authority in the current taxable year on the increased amount of cargo processed in the
3 current taxable year over the cargo processed in the previous taxable year. This credit
4 may not exceed the amount of tax imposed by this Division for the taxable year reduced
5 by the sum of all credits allowable under this Division, except tax payments made by or
6 on behalf of the corporation. If the credit allowed by this section exceeds the tax
7 imposed under this Division, the excess may be carried forward and applied to the tax
8 imposed under this Division for the succeeding five years. To obtain the credit, a
9 corporation shall provide to the Secretary of Revenue an audit opinion by a certified
10 public accountant under such regulations and in such form and manner and to such
11 extent as may be prescribed by the Secretary.

12 (b) For purposes of this section, the terms 'handling', 'storage', and 'wharfage'
13 shall have the meaning as defined in the State Ports Tariff Publications, 'Wilmington
14 Tariff, Terminal Tariff #6,' and 'Morehead City Tariff, Terminal Tariff #1.'"

15 Sec. 2. This act is effective for taxable years beginning on or after January 1,
16 1990 and this act shall expire December 31, 1993.