

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 1321
Committee Substitute Favorable 6/9/92

Short Title: Revenue Laws Technical Changes.

(Public)

Sponsors:

Referred to:

May 27, 1992

1 A BILL TO BE ENTITLED
2 AN ACT TO MAKE TECHNICAL AND CLARIFYING CHANGES TO THE
3 REVENUE LAWS AND RELATED STATUTES.

4 The General Assembly of North Carolina enacts:

5 Section 1. G.S. 105-102.6 reads as rewritten:

6 **"§ 105-102.6. Producers of newsprint publications.**

7 (a) Purpose. The purpose of this section is to provide an incentive for the use of
8 recycled newsprint.

9 (b) Definitions. The following definitions apply in this section:

10 (1) Net tonnage of newsprint consumed. – The weight in metric tons of all
11 newsprint ~~consumed~~acquired by a producer, less the weight in metric
12 tons of any acquired newsprint ~~consumed~~by the producer ~~diverted~~
13 diverts from solid waste ~~by the producer.~~ ~~waste.~~

14 (2) Newsprint. – Uncoated paper, whether supercalendered or machine
15 finished, made primarily from mechanical wood pulp combined with
16 some chemical wood pulp, weighing between 24.5 and 35 pounds for
17 500 sheets of paper 2 feet by 3 feet in size, and having a brightness of
18 less than 60.

19 (3) Postconsumer waste paper. – Paper products, generated by a business
20 or consumer, that have served their intended end uses and have been
21 separated or diverted from solid waste.

1 (4) Producer. – A person engaged in the business of producing
2 publications printed on newsprint who acquires and uses newsprint for
3 this business.

4 (5) Recycled content percentage. – The percentage by weight of the total
5 net tonnage of newsprint consumed by the producer that is
6 postconsumer waste paper.

7 (c) Minimum Recycled Content Percentage. The recycled content percentage of
8 ~~every person engaged in the business of publishing or printing publications printed on~~
9 newsprint consumed by a producer shall equal or exceed the following minimum
10 recycled content percentages:

11 During 1991 and 1992, twelve percent (12%).

12 During 1993, fifteen percent (15%).

13 During 1994, twenty percent (20%).

14 During 1995, twenty-five percent (25%).

15 During 1996, thirty percent (30%).

16 During 1997, thirty-five percent (35%).

17 After 1997, forty percent (40%).

18 (d) Tax. Every producer shall apply for and obtain from the Secretary of
19 Revenue a newsprint producer tax reporting number. In addition, each producer whose
20 recycled content percentage for a calendar quarter is less than the applicable minimum
21 recycled content percentage provided in subsection (c) for a calendar quarter shall,
22 within 10 days after the last day of the quarter, report to the Secretary the amount in
23 metric tons by which (i) the applicable minimum recycled content percentage multiplied
24 by the net tonnage of newsprint consumed by the producer in the preceding quarter
25 exceeds (ii) the actual tonnage of postconsumer waste paper consumed by the producer
26 during the preceding quarter, and shall pay a tax on the amount reported at the rate of
27 fifteen dollars (\$15.00) per ton. This tax is due when the report is filed. No county,
28 city, or town may impose a license tax on the business taxed under this section.

29 (e) Exemption. The tax levied in this section does not apply to an amount
30 calculated pursuant to subsection (d) to the extent the amount is attributable solely to the
31 producer's inability to obtain sufficient recycled content newsprint because (i) recycled
32 content newsprint was not available at a price comparable to the price of virgin
33 newsprint; (ii) recycled content newsprint of a quality comparable to virgin newsprint
34 was not available; or (iii) recycled content newsprint was not available within a
35 reasonable period of time during the reporting period. In order to claim the exemption
36 provided in this subsection, a producer must certify to the Secretary of Revenue:

37 (1) The amount of virgin newsprint consumed by the producer during the
38 reporting period solely for one of the reasons listed above.

39 (2) That the producer attempted to obtain recycled content newsprint from
40 every manufacturer of recycled content newsprint that offered to sell
41 recycled content newsprint to the producer within the preceding 12
42 months.

1 (3) The name, address, and telephone number of each manufacturer
2 contacted, including the company name and the name of the
3 company's individual representative or employee.

4 (f) Use of Proceeds. The Secretary of Revenue shall, on a quarterly basis, credit
5 the net proceeds of the tax imposed by this section to the Solid Waste Management
6 Trust Fund created in G.S. 130A-309.12."

7 Sec. 2. G.S. 105-116(e) reads as rewritten:

8 "(e) Local Tax. – A municipality that imposed a license, franchise, or privilege tax
9 on or before January 1, 1947, on a company taxed under this section may continue to
10 impose the tax ~~in an amount at a rate~~ that does not exceed the ~~amount imposed rate that~~
11 applied as of that date. Other municipalities and counties may not impose a license,
12 franchise, or privilege tax on a company taxed under this section."

13 Sec. 3. G.S. 105-134.6 reads as rewritten:

14 "**§ 105-134.6. Adjustments to taxable income.**

15 (a) S Corporations. – The pro rata share of each shareholder in the income
16 attributable to the State of an S Corporation shall be adjusted as provided in G.S. 105-
17 130.5. The pro rata share of each resident shareholder in the income not attributable to
18 the State of an S Corporation shall be subject to the adjustments provided in subsections
19 (b) and (c) of this section.

20 (b) Deductions. – The following deductions from taxable income shall be
21 made in calculating North Carolina taxable income, to the extent each item is included
22 in gross income:

23 (1) Interest upon the obligations of (i) the United States or its possessions,
24 (ii) this State or a political subdivision of this State, or (iii) a nonprofit
25 educational institution organized or chartered under the laws of this
26 State.

27 (2) Interest upon obligations and gain from the disposition of obligations
28 to the extent the interest or gain is exempt from tax under the laws of
29 this State.

30 (3) Benefits received under Title II of the Social Security Act and amounts
31 received from retirement annuities or pensions paid under the
32 provisions of the Railroad Retirement Act of 1937.

33 (4) Repealed by Session Laws 1989 (Reg. Sess., 1990), c. 1002, s. 2.

34 (5) Refunds of ~~State, state, local,~~ and foreign income taxes included in the
35 taxpayer's gross income.

36 (6) a. An amount, not to exceed four thousand dollars (\$4,000), equal to
37 the sum of the amount calculated in subparagraph b. plus the amount
38 calculated in subparagraph c.

39 b. The amount calculated in this subparagraph is the amount
40 received during the taxable year from one or more state, local,
41 or federal government retirement plans.

42 c. The amount calculated in this subparagraph is the amount
43 received during the taxable year from one or more retirement
44 plans other than state, local, or federal government retirement

1 plans, not to exceed a total of two thousand dollars (\$2,000) in
2 any taxable year.

3 d. In the case of a married couple filing a joint return where both
4 spouses received retirement benefits during the taxable year, the
5 maximum dollar amounts provided in this subdivision for
6 various types of retirement benefits apply separately to each
7 spouse's benefits.

8 (7) The amount of inheritance tax attributable to an item of income in
9 respect of a decedent required to be included in gross income under the
10 Code, adjusted as provided in G.S. 105-134.5, 105-134.6, and 105-
11 134.7. The amount of inheritance tax attributable to an item of income
12 in respect of a decedent is (i) the amount by which the inheritance tax
13 paid under Article 1 of this Chapter on property transferred to a
14 beneficiary by a decedent exceeds the amount of inheritance tax that
15 would have been payable by the beneficiary if the item of income in
16 respect of a decedent had not been included in the property transferred
17 to the beneficiary by the decedent, (ii) multiplied by a fraction, the
18 numerator of which is the amount required to be included in gross
19 income for the taxable year under the Code, adjusted as provided in
20 G.S. 105-134.5, 105-134.6, and 105-134.7, and the denominator of
21 which is the total amount of income in respect of a decedent
22 transferred to the beneficiary by the decedent. For an estate or trust,
23 the deduction allowed by this subdivision shall be computed by
24 excluding from the gross income of the estate or trust the portion, if
25 any, of the items of income in respect of a decedent that are properly
26 paid, credited, or to be distributed to the beneficiaries during the
27 taxable year.

28 The Secretary of Revenue may provide to a beneficiary of an item
29 of income in respect of a decedent any information contained on an
30 inheritance tax return that the beneficiary needs to compute the
31 deduction allowed by this subdivision.

32 (8) The amount by which the taxpayer's deductions allowed under the
33 Code were reduced, and the amount of the taxpayer's deductions that
34 were not allowed, because the taxpayer elected a federal tax credit in
35 lieu of a deduction, to the extent that a similar credit is not allowed by
36 this Division for the amount.

37 (c) Additions. – The following additions to taxable income shall be made in
38 calculating North Carolina taxable income, to the extent each item is not included in
39 gross income:

40 (1) Interest upon the obligations of states, other than this State, and their
41 political subdivisions.

42 (2) Any amount allowed as a deduction from gross income under the Code
43 that is taxed under the Code by a separate tax other than the tax
44 imposed in section 1 of the Code.

- 1 (3) Any amount deducted from gross income under section 164 of the
 2 Code as ~~State, state,~~ local, or foreign income tax to the extent that the
 3 taxpayer's total itemized deductions deducted under the Code for the
 4 taxable year exceed the standard deduction allowable to the taxpayer
 5 under the Code reduced by the amount by which the taxpayer's
 6 allowable standard deduction has been increased under section
 7 63(c)(4) of the Code.
- 8 (4) The amount by which the taxpayer's standard deduction has been
 9 increased for inflation under section 63(c)(4) of the Code and the
 10 amount by which the taxpayer's personal exemptions have been
 11 increased for inflation under section 151(d)(4) of the Code. For the
 12 purpose of this subdivision, if the taxpayer's personal exemptions have
 13 been reduced by the applicable percentage under section 151(d)(3) of
 14 the Code, the amount by which the personal exemptions have been
 15 increased for inflation is also reduced by the applicable percentage.
- 16 (5) The fair market value, up to a maximum of one hundred thousand
 17 dollars (\$100,000), of the donated property interest for which the
 18 taxpayer claims a credit for the taxable year under G.S. 105-151.12
 19 and the market price of the gleaned crop for which the taxpayer claims
 20 a credit for the taxable year under G.S. 105-151.14."

21 Sec. 4. G.S. 105-164.11 reads as rewritten:

22 **"§ 105-164.11. Excessive and erroneous collections.**

23 When the tax collected for any period is in excess of the total amount ~~which that~~
 24 should have been collected, the total amount collected must be paid over to the Secretary
 25 ~~less the compensation to be allowed the retailer as hereinafter set forth. Secretary.~~ When tax
 26 is collected for any period on exempt or nontaxable sales the tax erroneously collected
 27 shall be remitted to the Secretary and no refund ~~thereof~~ shall be made to a taxpayer
 28 unless the purchaser has received credit for or has been refunded the amount of tax
 29 erroneously charged. This provision shall be construed with other provisions of this
 30 Article and given effect so as to result in the payment to the Secretary of the total
 31 amount collected as tax if it is in excess of the amount ~~which that~~ should have been
 32 collected."

33 Sec. 5. G.S. 105-188(g) reads as rewritten:

34 "(g) A donor ~~shall be~~ is entitled to a total exemption of one hundred thousand
 35 dollars (\$100,000) to be deducted from gifts made to donees named in subdivision ~~(1) of~~
 36 ~~subsection (f), (f)(1),~~ less the sum of amounts claimed and allowed as an exemption in
 37 prior calendar years. The exemption, at the option of the donor, may be taken in its
 38 entirety in a single ~~year, year~~ or may be spread over a period of years. When this
 39 exemption has been exhausted, no further exemption is allowable. When the exemption
 40 or any ~~portion thereof~~ part of the exemption is applied to gifts to more than one donee in
 41 any one calendar year, ~~said the~~ exemption shall be apportioned against ~~said the~~ gifts in
 42 the same ratio as the gross value of the gifts to each donee is to the total value of ~~said all~~
 43 the gifts made in the calendar ~~year in which said gifts are made. year.~~ No exemption shall

1 ~~be is allowed to a donor for gifts made to donees named in subdivisions (2) and (3) of~~
2 ~~subsection (f) subdivision (f)(2) or (f)(3)."~~

3 Sec. 6. G.S. 105-203 reads as rewritten:

4 "**§ 105-203. Shares of stock.**

5 All shares of stock (including shares and units of ownership of mutual funds,
6 investment trusts, and investment funds) owned by residents of this State or having a
7 business, commercial, or taxable situs in this State on December 31 of each year, with
8 the exception herein provided, shall be subject to an annual tax, which is hereby levied,
9 of twenty-five cents (25¢) on every one hundred dollars (\$100.00) of the total fair
10 market value of the stock on December 31 of each year less the proportion of the value
11 that is equal to:

- 12 (1) In the case of a taxpayer that is a corporation, the proportion of the
13 dividends upon the stock deductible by the taxpayer in computing its
14 income tax liability under G.S. 105-130.7 without regard to the fifteen
15 thousand dollar (\$15,000) limitation under G.S. 105-130.7; and
16 (2) In the case of a taxpayer that is not a corporation, the proportion of the
17 dividends upon the stock that would be deductible by the taxpayer, if
18 the taxpayer were a corporation, in computing its income tax liability
19 under the provisions of G.S. 105-130.7(1),(2),(3), ~~and (3a), (3a), and~~
20 ~~(5),~~ without regard to the fifteen thousand dollar (\$15,000) limitation
21 under G.S. 105-130.7.

22 ~~The tax herein levied shall~~ This tax does not apply to shares of stock in building and
23 loan associations or savings and loan associations ~~which pay a tax as levied that pay a tax~~
24 under Article 8D of Chapter 105 of the General Statutes, this Chapter, nor to shares of
25 stock owned by any corporation ~~which that~~ has its commercial domicile in North
26 Carolina, where the corporation owns more than fifty percent (50%) of the outstanding
27 voting stock.

28 ~~The tax herein levied shall~~ This tax does not apply to units of ownership in an
29 investment trust, the corpus of which is composed (i) entirely of obligations of this
30 State or (ii) entirely of obligations of the United States and of this State, at least eighty
31 percent (80%) of the fair market value of which represents obligations of this State. For
32 the purpose of this paragraph, 'State' includes the State of North Carolina, political
33 subdivisions of this State, and agencies of ~~such these~~ governmental units; 'United States'
34 includes the United States and its possessions, and the District of Columbia;
35 'obligations' includes bonds, ~~notes notes,~~ and other evidences of debt. In order for the
36 exemption provided ~~for~~ in this paragraph to apply, ~~it shall be the duty of the trustees of an~~
37 investment trust ~~to provide to~~ must provide the Secretary of Revenue, in ~~form satisfactory~~
38 ~~to him and the form required by the Secretary,~~ not later than December 31 of the year
39 with respect to which the exemption applies, information sufficient to establish the
40 applicability of this exemption.

41 Indebtedness incurred directly for the purchase of shares of stock may be deducted
42 from the total value of those ~~shares; provided, shares if~~ the specific shares of stock so
43 purchased are pledged as collateral to secure the indebtedness; ~~provided further, that~~
44 however, only so much of the indebtedness may be deducted as is in the same

1 proportion as the taxable value of the shares of stock is to the total value of the shares of
2 stock."

3 Sec. 7. G.S. 105-213(a) reads as rewritten:

4 "(a) There is annually appropriated from the General Fund to counties and
5 municipalities the amount of revenue collected under this Article during the 1989-90
6 fiscal year, plus an amount equal to forty percent (40%) of the tax collected on accounts
7 receivable during the 1989-90 fiscal year and less an amount equal to the costs during
8 the preceding fiscal year of:

- 9 (1) Refunds made during the fiscal year of taxes levied under this Article.
- 10 (2) The Department of Revenue to collect and administer the taxes levied
11 under this Article.
- 12 (3) The Department of Revenue in performing the duties imposed by
13 Article 15 of this Chapter.
- 14 (4) The Property Tax Commission.
- 15 (5) The Institute of Government in operating a training program in
16 property tax appraisal and assessment.
- 17 (6) The personnel and operations provided by the Department of State
18 Treasurer for the Local Government Commission.

19 The appropriation shall be distributed by August 30 of each year. The appropriation
20 shall be included in the Current Operations Appropriations Act.

21 The appropriation shall be allocated among the counties in proportion to the amount
22 of taxes collected under this Article in each county during the preceding fiscal year.
23 The Secretary of Revenue shall keep a separate record by counties of the taxes collected
24 under this Article. The Secretary shall allocate the amount appropriated under this
25 section to the counties according to the county in which the taxes were collected. The
26 amounts so allocated to each county shall in turn be allocated between the county and
27 the municipalities in the county in proportion to the total amount of ad valorem taxes
28 levied by each during the fiscal year preceding the distribution. In dividing these
29 amounts between each county and its municipalities, the Secretary shall treat taxes
30 levied by a merged school administrative unit described in G.S. 115C-513 in a part of
31 the unit located in a county as taxes levied by the county in which that part is located.
32 After making these allocations, the Secretary of Revenue shall certify to the State
33 Controller and to the State Treasurer the amount to be distributed to each county and
34 municipality in the State. The State Controller shall then issue a warrant on the State
35 Treasurer to each county and municipality in the amount certified. The amount based
36 on forty percent (40%) of the tax collected on accounts receivable shall be drawn from
37 the Local Government Tax Reimbursement Reserve and the amount based on the ~~net~~
38 amount of revenue collected under this Article shall be drawn from the Local
39 Government Tax Sharing Reserve.

40 For the purpose of computing the distribution of the intangibles tax to any county
41 and the municipalities located in the county for any year with respect to which the
42 property valuation of a public service company is the subject of an appeal pursuant to
43 the provisions of the Machinery Act, or to applicable provisions of federal law, and the
44 Department of Revenue is restrained by operation of law or by a court of competent

1 jurisdiction from certifying such valuation to the county and municipalities therein, the
2 Department shall use the last property valuation of such public service company which
3 has been so certified in order to determine the ad valorem tax levies applicable to such
4 public service company in the county and the municipalities therein.

5 The chairman of each board of county commissioners and the mayor of each
6 municipality shall report to the Secretary of Revenue information requested by the
7 Secretary to enable the Secretary to allocate the amount appropriated by this section. If
8 a county or municipality fails to make a requested report within the time allowed, the
9 Secretary may disregard the county or municipality in allocating the amount
10 appropriated by this section. The amount distributed to each county and municipality
11 shall be used by the county or municipality in proportion to property tax levies made by
12 it for the various funds and activities of the county or municipality, unless the county or
13 municipality has pledged the amount to be distributed to it under this section in payment
14 of a loan agreement with the North Carolina Solid Waste Management Capital Projects
15 Financing Agency. A county or municipality that has pledged amounts distributed
16 under this section in payment of a loan agreement with the Agency may apply the
17 amount the loan agreement requires."

18 Sec. 8. G.S. 105-228.5A reads as rewritten:

19 **"§ 105-228.5A. Credit against gross premium tax for assessments paid to the**
20 **Insurance Guaranty Association and the Life and Accident and Health**
21 **Insurance Guaranty Association.**

22 (a) The following definitions apply in this section:

- 23 (1) Assessment. – An assessment as described in G.S. 58-48-35 or an
24 assessment as described in ~~G.S. 58-62-40.~~ G.S. 58-62-41.
25 (2) Association. – The North Carolina Insurance Guaranty Association
26 created under G.S. 58-48-25 or the North Carolina Life and Accident
27 ~~and Health Insurance Guaranty Association created under G.S. 58-62-~~
28 ~~25.~~ G.S. 58-62-26.
29 (3) Commissioner. – Commissioner of Insurance.
30 (4) Member insurer. – A member insurer as defined in G.S. 58-48-20 or a
31 member insurer as defined in ~~G.S. 58-62-20.~~ G.S. 58-62-16.

32 (b) A member insurer who pays an assessment is allowed as a credit against the
33 tax imposed under G.S. 105-228.5 an amount equal to twenty percent (20%) of the
34 amount of the assessment in each of the five taxable years following the year in which
35 the assessment was paid. In the event a member insurer ceases doing business, all
36 assessments for which it has not taken a credit under this section may be credited
37 against its premium tax liability for the year in which it ceases doing business. The
38 amount of the credit allowed by this section may not exceed the member insurer's
39 premium tax liability for the taxable year.

40 (c) Any sums that are acquired by refund, under either G.S. 58-48-35 or ~~G.S. 58-~~
41 ~~62-40,~~ G.S. 58-62-41, from the Association by member insurers, and that have
42 previously been offset against premium taxes as provided in subsection (b) of this
43 section, shall be paid by the member insurers to this State in the manner required by the

1 Commissioner. The Association shall notify the Commissioner that the refunds have
2 been made."

3 Sec. 9. G.S. 105-228.24 reads as rewritten:

4 "**§ 105-228.24. Tax limitations.**

5 (a) The taxes levied in this Article are in lieu of all other taxes except:

6 (1) Ad valorem taxes imposed upon real property and tangible personal
7 ~~property; property.~~

8 (2) Ad valorem taxes imposed upon intangible personal property under
9 G.S. ~~105-199, 105-200, 105-204 and 105-205; and~~ 105-204.

10 (3) Sales and use taxes levied by the State or any of its taxing units.

11 (b) Counties, ~~cities~~ cities, and towns may not levy a license tax on a savings and
12 loan association subject to taxation under this Article."

13 Sec. 10. G.S. 105-236(11) reads as rewritten:

14 "(11) Any violation of ~~the provisions of this Subchapter, Subchapter V of~~
15 ~~Chapter 105 or Chapter 18B of the General Statutes shall be deemed~~
16 Subchapter I, V, or VIII of this Chapter or of Article 3 of Chapter
17 119 of the General Statutes is considered an act committed in part at
18 the office of the Secretary of Revenue in Raleigh. The certificate of
19 the Secretary of Revenue to the effect that a tax has not been paid, that
20 a return has not been filed, or that information has not been supplied,
21 as required by or under the provisions of this Subchapter, or by
22 Subchapter V of Chapter 105 or Chapter 18B of the General Statutes, shall
23 be law, is prima facie evidence that such the tax has not been paid,
24 that such the return has not been filed or that such filed, or the
25 information has not been supplied.

26 The term 'person' as used in this section includes an officer or
27 employee of a corporation, or a member or employee of a partnership
28 who as ~~such~~ officer, employee, or member is under a duty to perform
29 the act in respect to which the violation occurs."

30 Sec. 11. G.S. 105-237.1(a) reads as rewritten:

31 "(a) The Secretary of Revenue, with the approval of the Attorney General, is
32 authorized to compromise the amount of liability of any taxpayer for taxes due under
33 ~~Subchapters I or V of this Chapter or under Chapter 18B of the General Statutes~~ Subchapter I,
34 V, or VIII of this Chapter or under Article 3 of Chapter 119 of the General Statutes and
35 to accept in full settlement of such the liability a lesser amount than that asserted to be
36 due when in the opinion of the Secretary and the Attorney General such the compromise
37 settlement is in the best interest of the State. When made other than in the course of
38 litigation in the courts of the State on an appeal from an administrative determination or
39 in a civil action brought to recover from the Secretary, the basis for such the
40 compromise must also conform to the conditions set out in this section. Such The
41 compromise settlement may be made only after a final administrative or judicial
42 determination of the liability of the taxpayer.

43 ~~Such a~~ A compromise settlement may be made only ~~upon a finding that: if one or~~
44 more of the following findings is made:

- 1 (1) There is a reasonable doubt as to the amount of the liability of the
2 taxpayer under the law and the ~~facts; or facts.~~
3 (2) The taxpayer is insolvent and the Secretary probably could not
4 otherwise collect an amount equal to or in excess of the amount
5 offered in ~~compromise; or compromise.~~
6 (3) Collection of a greater amount than that offered in compromise
7 ~~settlement~~ is improbable, and the funds or a substantial portion of the
8 funds offered in the ~~settlement settlement, or a substantial portion thereof,~~
9 come from sources from which the Secretary could not otherwise
10 ~~collect; or collect.~~
11 (4) A federal tax assessment arising out of the same facts has been
12 compromised with the federal government on the same or a similar
13 basis as that proposed to the State and the Secretary could probably not
14 collect an amount equal to or in excess of that offered in compromise.

15 For the purposes of this section a taxpayer may be considered insolvent only if (i)
16 there is an established status of insolvency by either a judicial declaration of a
17 status necessarily or ordinarily involving insolvency or by a legal proceeding in which
18 the insolvency of the taxpayer would ordinarily be determined or ~~thereby be made~~
19 evident or ~~if (ii) it is plain and indisputable that the taxpayer is clearly insolvent and will~~
20 remain so in the reasonable future. Whenever a compromise is made by the Secretary
21 pursuant to this ~~section, section and the unpaid amount of the tax assessed is one~~
22 hundred dollars (\$100.00) or more, the Secretary shall place there shall be placed on file
23 in the office of the Secretary a written opinion, signed by the Secretary and the Attorney
24 General, setting forth the amount of tax or additional tax assessed, the amount actually
25 paid in accordance with the terms of the compromise, and a summary of the facts and
26 reasons upon which acceptance of the compromise is based. ~~based, provided, however,~~
27 ~~that such opinion shall not be required with respect to the compromise of any taxpayer's~~
28 ~~liability where the unpaid amount of tax assessed (including interest, penalty and additional~~
29 ~~tax) is less than one hundred dollars (\$100.00)."~~

30 Sec. 12. G.S. 105-242(a)(1) reads as rewritten:

- 31 "(1) The Secretary may issue a warrant or an order under the Secretary's
32 hand and official seal, directed to the sheriff of any county of the State,
33 commanding him to levy upon and sell the real and personal property
34 of the taxpayer found within the county for the payment of the tax,
35 including penalties and interest, and the cost of executing the warrant
36 and to return to the Secretary the money collected, within a time to be
37 specified in the warrant, not less than 60 days from the date of the
38 warrant; the sheriff upon receipt of the warrant shall proceed in all
39 respects with like effect and in the same manner prescribed by law in
40 respect to executions issued against property upon judgments of a
41 court of record, and shall be entitled to the same fees for his services in
42 executing the warrant, to be collected in the same manner."

43 Sec. 13. G.S. 105-242(b) reads as rewritten:

1 "(b) Bank deposits, rents, salaries, wages, and all other choses in action or
2 property incapable of manual levy or delivery, including property held in the Escheat
3 Fund, hereinafter called the intangible, belonging, owing, or to become due to any
4 taxpayer subject to any of the provisions of this Subchapter, or which has been
5 transferred by such taxpayer under circumstances which would permit it to be levied
6 upon if it were tangible, shall be subject to attachment or garnishment as herein
7 provided, and the person owing said intangible, matured or unmatured, or having same
8 in his possession or control, hereinafter called the garnishee, shall become liable for all
9 sums due by the taxpayer under this Subchapter to the extent of the amount of the
10 intangible belonging, owing, or to become due to the taxpayer subject to the setoff of
11 any matured or unmatured indebtedness of the taxpayer to the garnishee; provided,
12 however, the garnishee shall not become liable for any sums represented by or held
13 pursuant to any negotiable instrument issued and delivered by the garnishee to the
14 taxpayer and negotiated by the taxpayer to a bona fide holder in due course, and
15 whenever any sums due by the taxpayer and subject to garnishment are so held or
16 represented, the garnishee shall hold such sums for payment to the Secretary of Revenue
17 upon the garnishee's receipt of such negotiable instrument, unless such instrument is
18 presented to the garnishee for payment by a bona fide holder in due course in which
19 event such sums may be paid in accordance with such instrument to such holder in due
20 course. To effect such attachment or garnishment the Secretary of Revenue shall serve
21 or cause to be served upon the taxpayer and the garnishee a notice as hereinafter
22 provided, which notice may be served by any deputy or employee of the Secretary of
23 Revenue or by any officer having authority to serve summonses or may be served in any
24 manner provided in Rule 4 of the North Carolina Rules of Civil Procedure. The notice
25 shall:

- 26 (1) Show the name of the taxpayer, and if known his Social Security
27 number or federal tax identification number and his address;
- 28 (2) Show the nature and amount of the tax, and the interest and penalties
29 thereon, and the year or years for which the same were levied or
30 assessed, and
- 31 (3) Be accompanied by a copy of this subsection, and thereupon the
32 procedure shall be as follows:

33 If the garnishee has no defense to offer or no setoff against the taxpayer, he shall
34 within 10 days after service of said notice, answer the same by sending to the Secretary
35 of Revenue by registered or certified mail a statement to that effect, and if the amount
36 due or belonging to the taxpayer is then due or subject to his demand, it shall be
37 remitted to the Secretary with said statement, but if said amount is to mature in the
38 future, the statement shall set forth that fact and the same shall be paid to the Secretary
39 upon maturity, and any payment by the garnishee hereunder shall be a complete
40 extinguishment of any liability therefor on his part to the taxpayer. If the garnishee has
41 any defense or setoff, he shall state the same in writing under oath, and, within 10 days
42 after service of said notice, shall send two copies of said statement to the Secretary by
43 registered or certified mail; if the Secretary admits such defense or setoff, he shall so
44 advise the garnishee in writing within 10 days after receipt of such statement and the

1 attachment or garnishment shall thereupon be discharged to the amount required by
2 such defense or setoff, and any amount attached or garnished hereunder which is not
3 affected by such defense or setoff shall be remitted to the Secretary as above provided
4 in cases where the garnishee has no defense or setoff, and with like effect. If the
5 Secretary shall not admit the defense or setoff, he shall set forth in writing his objections
6 thereto and shall send a copy thereof to the garnishee within 10 days after receipt of the
7 garnishee's statement, or within such further time as may be agreed on by the garnishee,
8 and at the same time he shall file a copy of said notice, a copy of the garnishee's
9 statement, and a copy of his objections thereto in the superior court of the county where
10 the garnishee resides or does business where the issues made shall be tried as in civil
11 actions.

12 If judgment is entered in favor of the Secretary of Revenue by default or after
13 hearing, the garnishee shall become liable for the taxes, interest and penalties due by the
14 taxpayer to the extent of the amount over and above any defense or setoff of the
15 garnishee belonging, owing, or to become due to the taxpayer, but payments shall not be
16 required from amounts which are to become due to the taxpayer until the maturity
17 thereof, nor shall more than ~~10 percent~~ ten percent (10%) of any taxpayer's salary or
18 wages be required to be paid hereunder in any one month. The garnishee may satisfy
19 said judgment upon paying said amount, and if he fails to do so, execution may issue as
20 provided by law. From any judgment or order entered upon such hearing either the
21 Secretary of Revenue or the garnishee may appeal as provided by law. If, before or
22 after judgment, adequate security is filed for the payment of said taxes, interest,
23 penalties, and costs, the attachment or garnishment may be released or execution stayed
24 pending appeal, but the final judgment shall be paid or enforced as above provided. The
25 taxpayer's sole remedies to question his liability for said taxes, interest, and penalties
26 shall be those provided in this Subchapter, as now or hereafter amended or
27 supplemented. If any third person claims any intangible attached or garnished
28 hereunder and his lawful right thereto, or to any part thereof, is shown to the Secretary,
29 he shall discharge the attachment or garnishment to the extent necessary to protect such
30 right, and if such right is asserted after the filing of said copies as aforesaid, it may be
31 established by interpleader as now or hereafter provided by law in cases of attachment
32 and garnishment. In case such third party has no notice of proceedings hereunder, he
33 shall have the right to file his petition under oath with the Secretary at any time within
34 12 months after said intangible is paid to him and if the Secretary finds that such party
35 is lawfully entitled thereto or to any part thereof, he shall pay the same to such party as
36 provided for refunds by ~~G.S. 105-267.1~~, G.S. 105-266.1, and if such payment is denied,
37 said party may appeal from the determination of the Secretary under the provisions of
38 G.S. 105-241.4; provided, that in taking an appeal to the superior court, said party may
39 appeal either to the Superior Court of Wake County or to the superior court of the
40 county wherein he resides or does business. The intangibles of a taxpayer shall be paid
41 or collected hereunder only to the extent necessary to satisfy said taxes, interest,
42 penalties, and costs. Except as hereinafter set forth, the remedy provided in this section
43 shall not be resorted to unless a warrant for collection or execution against the taxpayer
44 has been returned unsatisfied: Provided, however, if the Secretary is of opinion that the

1 only effective remedy is that herein provided, it shall not be necessary that a warrant for
2 collection or execution shall be first returned unsatisfied, and in no case shall it be a
3 defense to the remedy herein provided that a warrant for collection or execution has not
4 been first returned unsatisfied.

5 This subsection shall be applicable with respect to the wages, salary or other
6 compensation of officials and employees of this State and its agencies and
7 instrumentalities, officials and employees of political subdivisions of this State and their
8 agencies and instrumentalities, and also officials and employees of the United States
9 and its agencies and instrumentalities insofar as the same is permitted by the
10 Constitution and laws of the United States. In the case of State or federal employees,
11 the notice shall be served upon such employee and upon the head or chief fiscal officer
12 of the department, agency, instrumentality or institution by which the taxpayer is
13 employed. In case the taxpayer is an employee of a political subdivision of the State,
14 the notice shall be served upon such employee and upon the chief fiscal officer, or any
15 officer or person charged with making up the payrolls, or disbursing funds, of the
16 political subdivision by which the taxpayer is employed. Such head or chief officer or
17 fiscal officer or other person as specified above shall thereafter, subject to the
18 limitations herein provided, make deductions from the salary or wages due or to become
19 due the taxpayer and remit same to the Secretary until the tax, penalty, interest and costs
20 allowed by law are fully paid. Such deductions and remittances shall, **pro tanto**,
21 constitute a satisfaction of the salary or wages due the taxpayer."

22 Sec. 14. G.S. 105-251.1 is repealed.

23 Sec. 15. G.S. 105-253(c) is repealed.

24 Sec. 16. G.S. 105-256(c)(3) reads as rewritten:

25 "(3) Upon request, one copy to each entity and official to which a copy of
26 the reports of the Appellate Division of the General Court of Justice
27 ~~are~~ is furnished under G.S. 7A-343.1."

28 Sec. 17. G.S. 105-269.3 reads as rewritten:

29 **§ 105-269.3. Administration and enforcement of Subchapter V and fuel**
30 **inspection fee.**

31 This Article applies to taxes levied under Subchapter V of this Chapter ~~and to~~
32 ~~inspection fees levied under Chapter 119 of the General Statutes~~ and to inspection fees
33 levied under Chapter 119 of the General Statutes. The State Highway Patrol and law
34 enforcement officers and other appropriate personnel in the Division of Motor Vehicles
35 of the Department of Transportation may assist the Department of Revenue in enforcing
36 Subchapter V of this Chapter and Article 3 of Chapter 119 of the General Statutes. The
37 State Highway Patrol and law enforcement officers of the Division of Motor Vehicles
38 have the power of peace officers in matters concerning the enforcement of Subchapter
39 V of this Chapter and Article 3 of Chapter 119 of the General Statutes."

40 Sec. 18. G.S. 105-277A(c2) reads as rewritten:

41 "(c2) Supplemental Distribution. – On or before March 20, 1989, the Secretary
42 shall determine, with respect to each county and city, whether the sum of (i) the amount
43 the county or city received under subsection (c), plus (ii) the amount the county or city
44 received under subsection (c1), plus (iii) three and four-tenths percent (3.4%) of the

1 total distribution received by the county or city under G.S. 105-472, 105-486, ~~105-493,~~
2 105-501, and Chapter 1096 of the 1967 Session Laws between January 1, 1988, and
3 December 31, 1988, is less than ninety percent (90%) of the amount of taxes the county
4 or city actually levied on inventories owned by retailers and wholesalers for the 1987-88
5 tax year. If that sum is less than ninety percent (90%) of the amount of taxes the county
6 or city actually levied on those inventories for the 1987-88 tax year, the Secretary shall
7 distribute to that county or city a supplemental amount equal to the amount by which
8 ninety percent (90%) of the taxes it actually levied on inventories owned by retailers
9 and wholesalers for the 1987-88 tax year exceeds the total of subdivisions (i), (ii), and
10 (iii).

11 Except as provided in subsection (g) of this section, each year thereafter, as soon as
12 practicable after January 1, the Secretary shall distribute to each county and city the
13 amount it received the previous year under this subsection."

14 Sec. 19. G.S. 105-277A(d) reads as rewritten:

15 "(d) Definitions. —~~As used in this section, the term~~ The following definitions apply
16 in this section:

17 (1) 'City' has the same meaning as in ~~G.S. 153A-1(1);~~ G.S. 153A-1(1).

18 (2) 'City's inventory loss' means the city's average rate multiplied by
19 eighty percent (80%) of the value of the inventories reported to the
20 Secretary under subsection (a) of this section by the city, plus the
21 average rate for each special district for which the city collected taxes
22 in 1987, but whose tax rates were not included in the city's rates,
23 multiplied by eighty percent (80%) of the value of the inventories
24 reported to the Secretary under subsection (a) of this section in behalf
25 of the district, plus or minus the percentage of this amount that equals
26 the lesser of five percent (5%) or the percentage by which State
27 personal income has increased or decreased during the most recent 12-
28 month period for which State personal income data has been compiled
29 by the Bureau of Economic Analysis of the United States Department
30 of Commerce, minus three and four-tenths percent (3.4%) of the total
31 distribution received by the city under G.S. 105-472, 105-486, ~~105-493,~~
32 105-501, and Chapter 1096 of the 1967 Session Laws between January
33 1, 1988, and December 31, ~~1988;~~ 1988.

34 (3) 'County's inventory loss' means the county's average rate multiplied by
35 eighty percent (80%) of the value of the inventories reported to the
36 Secretary under subsection (a) of this section by the county, plus the
37 average rate for each special district for which the county collected
38 taxes in 1987, but whose tax rates were not included in the county's
39 rates, multiplied by eighty percent (80%) of the value of the
40 inventories reported to the Secretary under subsection (a) of this
41 section in behalf of the district, plus or minus the percentage of this
42 amount that equals the lesser of five percent (5%) or the percentage by
43 which State personal income has increased or decreased during the
44 most recent 12-month period for which State personal income data has

1 been compiled by the Bureau of Economic Analysis of the United
2 States Department of Commerce, minus three and four-tenths percent
3 (3.4%) of the total distribution received by the county under G.S. 105-
4 472, 105-486, ~~105-493~~, 105-501, and Chapter 1096 of the 1967 Session
5 Laws between January 1, 1988, and December 31, ~~1988~~, 1988.

6 (4) 'Special district's inventory levy' means the special district's average
7 rate multiplied by eighty percent (80%) of the value of the inventories
8 reported to the Secretary under subsection (a) of this section in behalf
9 of the ~~district~~, district.

10 (5) 'Taxing unit' means a unit that levied a property tax or for which
11 another unit collected a property tax for the fiscal year beginning July
12 1 of the year preceding the date a distribution is made under this
13 section."

14 Sec. 20. G.S. 105-288(c) reads as rewritten:

15 "(c) Oath. – Each member of the Property Tax Commission, as the appointed
16 holder of an office, shall take the oath required by Article VI, § 7 of the North Carolina
17 Constitution with the following ~~sentence phrase~~ added to it: '~~That~~-that I will not allow
18 my actions as a member of the Property Tax Commission to be influenced by personal
19 or political friendships or ~~obligations~~.'obligations.''"

20 Sec. 21. G.S. 105-295 reads as rewritten:

21 "**§ 105-295. Oath of office for assessor.**

22 The assessor, as the holder of an appointed office, shall take the oath required by
23 Article VI, § 7 of the North Carolina Constitution with the following ~~sentence phrase~~
24 added to it: '~~That~~-that I will not allow my actions as assessor to be influenced by
25 personal or political friendships or ~~obligations~~.'obligations.' The oath must be filed with
26 the clerk of the board of county commissioners."

27 Sec. 22. G.S. 105-322(c) reads as rewritten:

28 "(c) Oath. – Each member of the ~~Board of Equalization and Review~~ board
29 of equalization and review shall take the oath required by Article VI, § 7 of the North
30 Carolina Constitution with the following ~~sentence phrase~~ added to it: '~~That~~-that I will
31 not allow my actions as a member of the ~~Board of Equalization and Review~~ board of
32 equalization and review to be influenced by personal or political friendships or
33 ~~obligations~~.'obligations.' The oath must be filed with the clerk of the board of county
34 commissioners."

35 Sec. 23. G.S. 105-349(g) reads as rewritten:

36 "(g) Oath. – Every tax collector and deputy tax collector, as the holder of an
37 office, shall take the oath required by Article VI, § 7 of the North Carolina Constitution
38 with the following ~~sentence phrase~~ added to it: '~~That~~-that I will not allow my actions as
39 tax collector to be influenced by personal or political friendships or ~~obligations~~.
40 'obligations.' The oath must be filed with the clerk of the governing body of the taxing
41 unit."

42 Sec. 24. The first line of Section 1 of Chapter 267 of the 1991 Session Laws
43 is amended by deleting the phrase "18B-1114.(a)" and substituting the phrase "18B-
44 1114.1".

1 Sec. 25. Section 15 of Chapter 441 of the 1991 Session Laws is repealed.

2 Sec. 26. Section 6 of Chapter 652 of the 1991 Session Laws reads as
3 rewritten:

4 "Sec. 6. Chapters 591, 905, 938, 940, 974, 1007, and 1017 of the 1989 Session
5 Laws are ~~repealed~~. repealed to clarify that G.S. 153A-293, as amended by this act, is a
6 statewide statute and not a local statute. An ordinance adopted under a local act that is
7 repealed by this act is considered to have been adopted under G.S. 153A-293, as
8 amended by this act."

9 Sec. 27. G.S. 20-7(a)(3)b. reads as rewritten:

10 "b When operated by a volunteer member of a fire department, a
11 rescue ~~squad~~ squad, or ~~Emergency Medical Services~~ an
12 emergency medical service (EMS) in the performance of duty, a
13 Class A or Class B fire-fighting, rescue, or EMS motor ~~vehicle~~,
14 vehicle or a combination of these vehicles."

15 Sec. 28. G.S. 20-14 reads as rewritten:

16 **"§ 20-14. Duplicate licenses.**

17 A ~~licensee~~ person may obtain a duplicate of a license issued by the Division by
18 paying a fee of ten dollars (\$10.00) and giving the Division satisfactory proof that any
19 of the following has occurred:

- 20 (1) The person's license has been lost or destroyed.
- 21 (2) It is necessary to change the name or address on the license.
- 22 (3) Because of ~~the licensee's age~~, the licensee ~~person~~ is entitled to a license
23 with a different color photographic ~~background~~ or background.
- 24 (4) He has become eligible for reinstatement of his North Carolina driving
25 privilege following a period of suspension or revocation and the last
26 license issued has not yet expired. The Division revoked the person's
27 license, the revocation period has expired, and the period for which the
28 revoked license was issued has not expired."

29 Sec. 29. G.S. 20-30(8) reads as rewritten:

30 "(8) To possess more than one commercial drivers license or to possess a
31 commercial drivers license and a regular drivers license. Any
32 commercial drivers license other than the ~~one~~ one most recently
33 issued is subject to immediate seizure by any law enforcement officer
34 or judicial official. Any regular drivers license possessed at the same
35 time as a commercial drivers license is subject to immediate seizure by
36 any law enforcement officer or judicial official."

37 Sec. 30. G.S. 20-37.6 reads as rewritten:

38 **"§ 20-37.6. ~~Handicapped; Parking privileges for handicapped drivers and~~**
39 **~~passengers; parking privileges. passengers.~~**

40 (a) General Parking. – Any vehicle that is driven by or is transporting a person
41 who is handicapped as defined by G.S. 20-37.5 displaying and that displays
42 distinguishing license plate, a removable windshield placard, or a temporary ~~removal~~
43 removable windshield placard may be parked for unlimited periods in parking zones
44 restricted as to the length of time parking is permitted. This provision has no

1 application to those zones or during times in which the stopping, parking, or standing of
2 all vehicles is prohibited or which are reserved for special types of vehicles. Any
3 qualifying vehicle may park in spaces designated by ~~aboveground markings~~ as restricted
4 to vehicles ~~distinguished as being~~ driven by or ~~as~~ transporting the handicapped.

5 (b) Handicapped Car Owners; Distinguishing License Plates. – If the
6 handicapped person is a registered owner of a vehicle, the owner may apply for and
7 display a distinguishing license plate. This license plate shall be issued for the normal
8 fee applicable to standard license plates. Any vehicle owner who qualifies for a
9 distinguishing license plate may also receive one removable windshield placard.

10 (c) Handicapped Drivers and Passengers; Distinguishing Placards. – A
11 handicapped person may apply for the issuance of a removable windshield placard or a
12 temporary removable windshield placard. Upon request, one additional placard may be
13 issued to applicants who do not have a distinguishing license plate. Any organization
14 which, as determined and certified by the State Vocational Rehabilitation Agency,
15 regularly transports handicapped persons may also apply. These organizations may
16 receive one removable windshield placard for each transporting vehicle. When the
17 removable windshield or temporary removable windshield placard is properly
18 displayed, all parking rights and privileges extended to vehicles displaying a
19 distinguishing license plate issued pursuant to subsection (b) shall apply. The
20 removable windshield placard or the temporary removable windshield placard shall be
21 displayed so that it may be viewed from the front and rear of the vehicle by hanging it
22 from the front windshield rearview mirror of a vehicle using a parking space allowed for
23 handicapped persons. When there is no inside rearview mirror, or when the placard
24 cannot reasonably be hung from the rearview mirror by the handicapped person, the
25 placard shall be displayed on the driver's side of the dashboard. A removable
26 windshield placard placed on a motorized wheelchair or similar vehicle shall be
27 displayed in a clearly visible location. ~~The Division of Motor Vehicles~~ shall establish
28 procedures for the issuance of the placards and may charge a fee sufficient to pay the
29 actual cost of issuance, but in no event less than five dollars (\$5.00) per placard.

30 (c1) ~~Application for Placard; Application and Renewal; Physician's Certification.~~ –
31 The initial application for a distinguishing license plate, removable windshield placard,
32 or temporary removable windshield placard shall be accompanied by a certification of a
33 licensed physician, ophthalmologist, ~~optometrist, or optometrist~~ or of the Division of
34 Services for the Blind that the applicant meets the definition of a person being handicapped
35 in G.S. 20-37.5. is handicapped. The application for a temporary removable windshield
36 placard shall contain additional certification to include the period of time the certifying
37 authority determines the applicant will have the disability. Distinguishing license plates
38 shall be renewed annually, but subsequent applications shall not require a medical
39 certification that the applicant ~~meets the definition of being handicapped in G.S. 20-37.5. is~~
40 handicapped. Removable windshield placards shall be renewed every five years, and
41 the renewal shall require a medical recertification that the person is ~~handicapped as~~
42 defined in G.S. 20-37.5. handicapped. Temporary removable windshield placards shall
43 expire no later than six months after issuance.

1 (c2) Existing Placards; Expiration; Exchange for New Placards. – All existing
2 placards shall expire on January 1, 1992. No person shall be convicted of parking in
3 violation of this Article by reason of an expired placard if the defendant produces in
4 court, at the time of trial on the illegal parking charge, an expired placard and a renewed
5 placard issued within 30 days of the expiration date of the expired placard and which
6 would have been a defense to the charge had it been issued prior to the time of the
7 alleged offense. Existing placards issued on or after July 1, 1989, may be exchanged
8 without charge for the new placards.

9 (d) Designation of Parking ~~Places~~ Spaces. – Designation of parking spaces for
10 handicapped persons on streets and public vehicular areas shall comply with G.S. 136-
11 30. A sign designating a parking space for handicapped persons shall state the
12 maximum penalty for parking in the space in violation of the law.

13 (d1) Repealed by Session Laws 1991, c. 530, s. 4.

14 (e) Enforcement of Handicapped Parking Privileges. – It shall be unlawful:

- 15 (1) To park or leave standing any vehicle in a space designated with a sign
16 pursuant to subsection (d) of this section for handicapped persons
17 when the vehicle does not display the distinguishing license plate,
18 removable windshield ~~placard~~ placard, or temporary removable
19 windshield placard ~~or identification card~~ as provided in this ~~section~~
20 section, or a disabled veteran registration plate issued under G.S. 20-
21 79.4;
- 22 (2) For any person not qualifying for the rights and privileges extended to
23 handicapped persons under this section to exercise or attempt to
24 exercise such rights or privileges by the unauthorized use of a
25 distinguishing license plate, removable windshield placard, or
26 temporary removable windshield placard issued pursuant to the
27 provisions of this section;
- 28 (3) To park or leave standing any vehicle so as to obstruct a curb ramp or
29 curb cut for handicapped persons as provided for by the North
30 Carolina Building Code or as designated in G.S. 136-44.14;
- 31 (4) For those responsible for designating parking spaces for the
32 handicapped to erect or otherwise use signs not conforming to G.S. 20-
33 37.6(d) for this purpose.

34 This section is enforceable in all public vehicular ~~areas specified in G.S. 20-4.01(32)~~
35 areas.

36 (f) Penalties for Violation. –

- 37 (1) A violation of G.S. 20-37.6(e)(1), (2) or (3) is an infraction which
38 carries a penalty of at least fifty dollars (\$50.00) but not more than one
39 hundred dollars (\$100.00) and whenever evidence shall be presented in
40 any court of the fact that any automobile, truck, or other vehicle was
41 found to be parked in a properly designated handicapped parking space
42 in violation of the provisions of this section, it shall be **prima facie**
43 evidence in any court in the State of North Carolina that the vehicle
44 was parked and left in the space by the person, firm, or corporation in

1 whose name the vehicle is registered and licensed according to the
 2 records of the ~~Division of Motor Vehicles~~. Division. No evidence
 3 tendered or presented under this authorization shall be admissible or
 4 competent in any respect in any court or tribunal except in cases
 5 concerned solely with a violation of this section.

6 (2) A violation of G.S. 20-37.6(e)(4) is an infraction which carries a
 7 penalty of at least fifty dollars (\$50.00) but not more than one hundred
 8 dollars (\$100.00) and whenever evidence shall be presented in any
 9 court of the fact that ~~any such a nonconforming sign or markings are~~ is
 10 being used it shall be **prima facie** evidence in any court in the State of
 11 North Carolina that the person, firm, or corporation with ownership of
 12 the property where ~~said the nonconforming signs or markings are~~ sign is
 13 located is responsible for violation of this section. Building inspectors
 14 and others responsible for North Carolina State Building Code
 15 violations specified in G.S. 143-138(h) where such signs are required
 16 by the Handicapped Section of the North Carolina State Building
 17 Code, may cause a citation to be issued for this violation and may also
 18 initiate any appropriate action or proceeding to correct such violation.

19 (3) A law-enforcement officer, including a security officer who has
 20 authority to enforce laws on the property of his employer as specified
 21 in Chapter 74A, may cause a vehicle parked in violation of this section
 22 to be towed; and such officer shall be a legal possessor as provided in
 23 G.S. 20-161(d)(2). This law-enforcement officer, or security officer,
 24 shall not be held to answer in any civil or criminal action to any owner,
 25 lienholder or other person legally entitled to the possession of any
 26 motor vehicle removed from such space pursuant to this section,
 27 except where such motor vehicle is willfully, maliciously, or
 28 negligently damaged in the removal from aforesaid space to place of
 29 storage.

30 (4) Notwithstanding any other provision of the General Statutes, the
 31 provisions of this section relative to handicapped parking shall be
 32 enforced by State, county, city and other municipal authorities in their
 33 respective jurisdictions whether on public or private property in the
 34 same manner as is used to enforce other parking laws and ordinances
 35 by said agencies."

36 Sec. 31. G.S. 20-37.6A reads as rewritten:

37 "**§ 20-37.6A. ~~Vehicles designated Parking privileges for out-of-state handicapped;~~**
 38 **~~parking privileges.~~ handicapped drivers and passengers.**

39 Any vehicle displaying an out-of-State handicapped license plate, ~~placard~~ placard, or
 40 other evidence of handicap ~~or visual impairment~~ issued by the appropriate authority of the
 41 appropriate jurisdiction may park in any space reserved for the handicapped pursuant to
 42 G.S. 20-37.6."

43 Sec. 32. G.S. 20-63(b) reads as rewritten:

1 "(b) Every license plate shall have displayed upon it the registration number
2 assigned to the vehicle for which it is issued, ~~also~~ the name of the State of North
3 Carolina, which may be abbreviated, the year number for which it is issued or the date
4 of expiration, and, if the plate is issued for a commercial vehicle, as defined in G.S. 20-
5 4.2(1), the word 'commercial,' designating 'commercial vehicle.' ~~Provided that plates~~ The
6 Division may not issue a plate bearing the word 'commercial' ~~shall not be issued for~~
7 ~~trailers, for vehicles~~ a trailer, a vehicle licensed for less than 5,000 pounds, and for
8 ~~property carrying vehicles~~ a property-hauling vehicle, or for any a commercial vehicle
9 bearing a personalized plate issued pursuant to G.S. 20-81.3. Subject to the provisions hereof,
10 every plate.

11 A registration plate issued by the Division for a private passenger vehicle and all or
12 for a private hauler vehicles vehicle licensed for 4,000 pounds gross weight registration
13 plate manufactured for use after January 1, 1982, shall be a 'First in Flight' plate. A 'First in
14 Flight' plate shall have the words 'First in Flight' printed at the top of the plate above all
15 other letters and numerals. The background of the plate shall depict the Wright Brothers
16 biplane flying over Kitty Hawk Beach, with the plane flying slightly upward and to the
17 right. The Department shall deplete the license plates in stock, on order, or for which a contract
18 has been signed at the time of the ratification of this bill. Until all of the license plates
19 previously referred to have been depleted, all plates issued to replace faded, worn out or
20 damaged plates shall be regular plates. Any person desiring to trade in a regular plate and
21 thereby secure a First in Flight plate may do so by paying the fee provided in G.S. 20-85(5). As
22 soon as feasible, but not later than July 1, 1983, all newly issued plates shall be issued as First
23 in Flight plates; and as soon as feasible, all special issue, official and personalized plates shall
24 be issued as First in Flight plates. Beginning July 1, 1983, the Department shall, as the same
25 comes up for replacement, begin systematically replacing all regular license plates with First in
26 Flight license plates beginning with the oldest series of existing plates and continuing thereafter
27 on a staggered basis."

28 Sec. 33. G.S. 20-81.12(d) reads as rewritten:

29 "(d) Ten dollars (\$10.00) of the additional fee imposed by subsection (b) of this
30 section shall be credited to the Personalized Special Registration Plate Fund established
31 under G.S. 20-81.3 ~~[20-79.7]~~ 20-79.7. The remaining revenue derived from the
32 additional fee imposed by subsection (b) of this section shall be credited to the
33 Collegiate Plate Fund, a separate fund established in the State Treasurer's office. The
34 revenue in the Collegiate Plate Fund shall be transferred quarterly to the Board of
35 Governors of The University of North Carolina for public colleges and universities and
36 to the respective board of trustees for private colleges and universities in proportion to
37 the number of collegiate plates sold representing that institution for use for academic
38 enhancement."

39 Sec. 34. G.S. 20-127(h) reads as rewritten:

40 "(h) Subsections (d) through (g) of this section ~~shall apply only to darkened,~~
41 ~~smoked or tinted film installed on motor vehicle windows after factory delivery and~~
42 ~~after the effective date of this act and shall do not apply to vehicles that are registered in~~
43 ~~another state and state, are not required to be registered in this State, and were in~~
44 ~~compliance with the standards required in that state at [the] time.~~ the state of registration
45 at the time of registration."

1 Sec. 35. G.S. 65-64(c) is repealed.

2 Sec. 36. G.S. 75-81(3) reads as rewritten:

3 "(3) 'Motor Fuel' shall mean a refined or blended petroleum product used
4 for the propulsion of self-propelled motor vehicles; the term includes
5 'motor fuel' ~~shall also include the same meaning as defined by G.S. 105-~~
6 ~~430(1) in G.S. 105-430 and fuel 'fuel' as defined by G.S. 105-449.2(3).~~
7 in G.S. 105-449.2."

8 Sec. 37. G.S. 120-123(27) reads as rewritten:

9 "(27) The Property Tax Commission, as established by G.S. ~~143B-223-~~
10 105-288."

11 Sec. 38. G.S. 130A-62 reads as rewritten:

12 **"§ 130A-62. Annual budget; tax levy.**

13 (a) A sanitary district shall operate under an annual balanced budget adopted in
14 accordance with the Local Government Budget and Fiscal Control Act.

15 (b) A sanitary district has the option of either collecting its own taxes or having
16 its taxes collected by the county or counties in which it is located. Unless a district takes
17 affirmative action to collect its own taxes, taxes shall be collected by the county.

18 (c) For sanitary districts whose taxes are collected by the county, before May 1
19 of each year, the assessor of each county in which the district is located shall certify to
20 the district board the total assessed value of property in the county subject to taxation by
21 the ~~district, and the county's assessment ratio-~~ district. By July 1 or upon adoption of its
22 annual budget ordinance, the district board shall certify to the county board of
23 commissioners the rate of ad valorem tax levied by the district on property in that
24 county. ~~If the assessment ratios are not identical in all counties, the district budget ordinance~~
25 ~~shall levy separate rates of ad valorem taxes for each county. These rates shall be adjusted so~~
26 ~~that the effective rate is the same for all property located in the district. The "effective rate" is~~
27 ~~the rate of tax which will produce the same tax liability on property of equal appraised value.~~
28 Upon receiving the district's certification of its tax levy, the county commissioners shall
29 compute the district tax for each taxpayer and shall separately state the district tax on
30 the county tax receipts for the fiscal year. The county shall collect the district tax in the
31 same manner that county taxes are collected and shall remit these collections to the
32 district at least monthly. Partial payments shall be proportionately divided between the
33 county and the district. The district budget ordinance may include an appropriation to
34 the county for the cost to the county of computing, ~~billing-~~ billing, and collecting the
35 district tax. The amount of the appropriation shall be agreed upon by the county and the
36 district, but may not exceed five percent (5%) of the district levy. Any agreement shall
37 remain effective until modified by mutual agreement. The amount due the county for
38 collecting the district tax may be deducted by the county from its monthly remittances
39 to the district or may be paid to the county by the district.

40 (d) Sanitary districts electing to collect their own taxes shall be deemed cities for
41 the purposes of the Machinery Act. ~~Act, Subchapter II of Chapter 105 of the General~~
42 Statutes. ~~If a district is located in more than one county, the district board may adopt the~~
43 ~~assessments placed upon property located in the district by the counties in which the district is~~
44 ~~located if, in the opinion of the board, the same appraisal and assessment standards will apply~~
45 ~~uniformly throughout the district. If the board determines that adoption of the assessments fixed~~

1 by the counties will not result in uniform appraisals and assessments throughout the district, the
2 board may, by horizontal adjustments, equalize the appraisal values fixed by the counties and in
3 accordance with the procedure prescribed in the Machinery Act, select and adopt an assessment
4 ratio to be applied to the appraised values of property subject to district taxation as equalized by
5 the board. Taxes levied by the district shall be levied uniformly on the assessments."

6 Sec. 39. G.S. 143B-472.3, Articles 11 and 12, read as rewritten:

7 "Article 11. Assessments shall be made as provided in G.S. ~~143-472.18~~ [G.S. 143B-
8 ~~472.18~~] G.S. 143B-472.18. Whenever possible, assessments will be made at definitely
9 stated intervals so as to reduce the cost of collection and to prevent lapse.

10 "Article 12. In the event the proceeds of the annual assessments imposed on the
11 entire membership for one year, as provided in G.S. ~~143-472.18~~ [G.S. 143B-472.18], G.S.
12 143B-472.18, do not prove sufficient at any time to yield the benefit provided for in
13 these bylaws, then the secretary-treasurer shall notify the North Carolina Burial
14 Association Administrator who shall be authorized, unless the membership is increased
15 to that point where such assessments are sufficient, to cause liquidation of said
16 association, and may transfer all members in good standing to a like organization or
17 association."

18 Sec. 40. G.S. 159-30(b) reads as rewritten:

19 "(b) Moneys may be deposited at interest in any bank, savings and loan
20 association, or trust company in this State in the form of certificates of deposit or such
21 other forms of time deposit as the Commission may approve. Investment deposits,
22 including investment deposits of ~~the a mutual fund for local government investment~~
23 ~~created by G.S. 159-30(e)(6a)~~, established under subdivision (c)(8) of this section, shall be
24 secured as provided in G.S. 159-31(b)."

25 Sec. 41. G.S. 159-55(a)(5) reads as rewritten:

26 "(5) The percentage that the net debt bears to the ~~appraised~~ assessed value
27 of property subject to taxation by the issuing unit."

28 Sec. 42. G.S. 159G-8(a) reads as rewritten:

29 "(a) Application. – All applications for revolving loans and grants for water
30 supply systems shall be filed with the Division of Environmental Health and all
31 applications for revolving loans and grants for wastewater treatment works or
32 wastewater collection systems shall be filed with the Environmental Management
33 Commission. Any application may be filed in as many categories as it is eligible for
34 consideration under this Chapter. Applications for revolving construction loans or
35 grants for wastewater treatment works and wastewater collection systems, except
36 applications for emergency wastewater loans, shall first be submitted for a loan or grant
37 from the Water Pollution Control Revolving Fund established by G.S. 159G-5(c). If the
38 application is denied, the application shall then be considered for a revolving loan or a
39 grant from the General Wastewater Revolving Loan and Grant account established
40 under G.S. ~~159-6(b)(1)~~ [159G-6(b)(1)] 159G-6(b)(1).

41 The Department of Environment, Health, and Natural Resources, the Commission
42 for Health Services, and the Environmental Management Commission may develop
43 jointly and adopt a standard form of application under this Chapter. Any application for
44 construction grants under the Federal Water Pollution Control Act may be considered as

1 an application for revolving construction loans or grants under G.S. 159G-5(c) and
2 G.S. 159G-6(b)(1). The information required to be set forth in the application shall be
3 sufficient to permit the respective agencies to determine the eligibility of the applicant
4 and to establish the priority of the application, as set forth in this Chapter.

5 Any applicant shall furnish information in addition or supplemental to the
6 information contained in its application upon request by the receiving agency."

7 Sec. 43. This act is effective upon ratification. Section 2 of this act applies
8 retroactively to June 21, 1990. Section 3 of this act applies retroactively to taxable
9 years beginning on or after January 1, 1989.