

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 787

Manufacturing and Labor Committee Substitute Adopted 4/26/93

Third Edition Engrossed 5/17/93

Short Title: ESC Tax Proposals.

(Public)

Sponsors:

Referred to: Finance.

April 8, 1993

A BILL TO BE ENTITLED

AN ACT TO IMPOSE A PENALTY FOR FAILURE TO COMPLY WITH ESC TAX REPORTING REQUIREMENTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 96-9(a)(7) reads as rewritten:

"(7) Effective with the quarter ending September 30, 1992, every employer with 250 or more employees, and every person or organization that, as agent, reports wages on a total of 250 or more employees on behalf of one or more subject employers, shall file that portion of the 'Employer's Quarterly Tax and Wage Report' that contains the name, social security number, and gross wages of each individual in employment on magnetic tapes or diskettes in a format prescribed by the Commission.

For failure of an employer to comply with this subdivision, there shall be added to the amount required to be shown as tax in the reports, a penalty of five percent (5%) of the amount of such tax or twenty-five dollars (\$25.00), whichever is greater. The Commission may reduce or waive the penalty for good cause shown. For a person or organization that, as agents, fails to comply, that person or organization shall cease to have the right to report wages and file reports for subject employees for a period of one year following the

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1 calendar quarter in which that person or organization failed to
2 comply."

3 Sec. 2. This act is effective upon ratification.