

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 988
Second Edition Engrossed 5/9/95

Short Title: Drug Tax for CrimeStoppers.

(Public)

Sponsors: Representatives Hurley; Brawley, Carpenter, Dickson, Hayes, Kiser, Pate, Richardson, Russell, and Weatherly.

Referred to: Finance.

April 24, 1995

1 A BILL TO BE ENTITLED
2 AN ACT TO EARMARK PART OF THE DRUG TAX PROCEEDS FOR REWARDS
3 PAID FOR TIPS REGARDING CRIMES PURSUANT TO LOCAL
4 CRIMESTOPPERS PROGRAMS.

5 The General Assembly of North Carolina enacts:

6 Section 1. G.S. 105-113.113 reads as rewritten:

7 "**§ 105-113.113. Use of tax proceeds.**

8 (a) Nonreverting Account. – The Secretary shall credit the proceeds of the tax
9 levied by this Article to a special nonreverting account, to be called the State Controlled
10 Substances Tax Account, until the tax proceeds are unencumbered. Tax proceeds are
11 unencumbered when the taxpayer no longer has a current right to challenge the
12 assessment of the tax. The Secretary shall remit the unencumbered tax proceeds as
13 provided in subsections (b), (c), and (d) of this section.

14 (b) Local Law Enforcement. – The Secretary shall, on a quarterly or more frequent
15 basis, remit the unencumbered tax proceeds as follows: seventy-five percent (75%) of the
16 amount part of the unencumbered tax proceeds that was collected by assessment shall be
17 remitted to the State or local law enforcement agency that conducted the investigation of a
18 dealer that led to the assessment; and the remainder of the unencumbered tax proceeds shall be

1 ~~credited to the General Fund.~~ assessment. If more than one State or local law enforcement
2 agency conducted the investigation, the Secretary shall determine the equitable pro rata
3 share for each agency based on the contribution each agency made to the investigation.

4 (c) CrimeStoppers Rewards. – The Secretary shall, on a quarterly basis, distribute
5 the remaining unencumbered tax proceeds, up to a maximum of two hundred fifty
6 thousand dollars (\$250,000) per quarter, among the counties of the State on a per capita
7 basis according to the most recent annual population estimates certified to the Secretary
8 by the State Planning Officer. A county may use funds distributed to it under this
9 subsection only to pay rewards to individuals for information provided to assist
10 investigation of crimes pursuant to a local program of Crime Stoppers, Inc., or
11 CrimeStoppers, Inc.

12 (d) General Fund. – The Secretary shall, on a quarterly basis, credit any remaining
13 unencumbered tax proceeds to the General Fund."

14 Sec. 2. This act becomes effective July 1, 1995, and applies to taxes collected
15 on or after that date.