

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1188

Short Title: School District Sales Tax Refunds.

(Public)

Sponsors: Representatives Decker; Blue, Capps, Eddins, McMahan, Miner, Mosley, Neely, Nichols, Nye, Sexton, C. Wilson, G. Wilson, and Womble.

Referred to: Finance.

May 1, 1997

A BILL TO BE ENTITLED

AN ACT TO ALLOW LOCAL BOARDS OF EDUCATION TO OBTAIN REFUNDS OF SALES AND USE TAXES PAID ON PURCHASES MADE WITH THE PROCEEDS OF LOCAL VOTER-APPROVED BONDS AND TO REQUIRE THE REFUNDS TO BE USED ONLY FOR THE PURPOSES FOR WHICH THE BONDS WERE APPROVED.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.14(c) reads as rewritten:

"(c) Certain Governmental Entities. - A governmental entity listed in this subsection is allowed an annual refund of sales and use ~~tax~~-taxes paid by it under this Article, except under G.S. 105-164.4(a)(4a) and G.S. 105-164.4(a)(4c), on direct purchases of tangible personal property. Sales and use tax liability indirectly incurred by a governmental entity on building materials, supplies, fixtures, and equipment that become a part of or annexed to any building or structure that is owned or leased by the governmental entity and is being erected, altered, or repaired for use by the governmental entity is considered a sales or use tax liability incurred on direct purchases by the governmental entity for the purpose of this subsection. A request for a refund must be in writing and must include any information and documentation required by the Secretary. A request for a refund is due within six months after the end of the governmental entity's fiscal year.

This subsection applies only to the following governmental entities:

- (1) A county.
(2) A city as defined in G.S. 160A-1.

- 1 (2a) A consolidated city-county as defined in G.S. 160B-2.
- 2 (2b) A local school administrative unit, to the extent the purchases were
3 paid for from the proceeds of general obligation school bonds
4 approved by the voters of the county on or after November 1, 1995. A
5 local school administrative unit may use amounts refunded pursuant to
6 this subdivision only for the purposes for which the school bonds were
7 approved.
- 8 (3) A metropolitan sewerage district or a metropolitan water district in this
9 State.
- 10 (4) A water and sewer authority created under Chapter 162A of the
11 General Statutes.
- 12 (5) A lake authority created by a board of county commissioners pursuant
13 to an act of the General Assembly.
- 14 (6) A sanitary district.
- 15 (7) A regional solid waste management authority created pursuant to G.S.
16 153A-421.
- 17 (8) An area mental health, developmental disabilities, and substance abuse
18 authority, other than a single-county area authority, established
19 pursuant to Article 4 of Chapter 122C of the General Statutes.
- 20 (9) A district health department.
- 21 (10) A regional council of governments created pursuant to G.S. 160A-470.
- 22 (11) A regional planning and economic development commission or a
23 regional economic development commission created pursuant to
24 Chapter 158 of the General Statutes.
- 25 (12) A regional planning commission created pursuant to G.S. 153A-391.
- 26 (13) A regional sports authority created pursuant to G.S. 160A-479.
- 27 (14) A public transportation authority created pursuant to Article 25 of
28 Chapter 160A of the General Statutes.
- 29 (14a) A facility authority created pursuant to Part 4 of Article 20 of Chapter
30 160A of the General Statutes.
- 31 (15) A regional public transportation authority created pursuant to Article
32 26 of Chapter 160A of the General Statutes.
- 33 (16) A local airport authority that was created pursuant to a local act of the
34 General Assembly and has at least one of the following characteristics:
35 a. It has all of the rights of a municipality.
36 b. A local act of the General Assembly declares it to be a
37 municipality.
38 c. A local act of the General Assembly specifically authorizes it to
39 receive a refund under this section.
- 40 (17) A joint agency created by interlocal agreement pursuant to G.S. 160A-
41 462 to operate a public broadcasting television station.
- 42 (18) The North Carolina Low-Level Radioactive Waste Management
43 Authority created pursuant to Chapter 104G of the General Statutes.

- 1 (19) The North Carolina Hazardous Waste Management Commission
2 created pursuant to Chapter 130B of the General Statutes.
- 3 (20) A constituent institution of The University of North Carolina, but only
4 with respect to sales and use tax paid by it for tangible personal
5 property acquired by it through the expenditure of contract and grant
6 funds.
- 7 (21) The University of North Carolina Hospitals at Chapel Hill."
8 Section 2. This act is effective when it becomes law and applies to taxes paid
9 on or after January 1, 1996. Notwithstanding the provisions of G.S. 105-164.14(c), a
10 request for a refund by a local school administrative unit for the 1995-96 fiscal year is
11 timely if it is filed by January 1, 1998.