

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: HB 1479 (First Edition)

SHORT TITLE: Newsprint Tax Credit Change

SPONSOR(S): Representative Miller

FISCAL IMPACT

Yes (X) No () No Estimate Available ()

FY 1999-00 FY 2000-01 FY 2001-02 FY 2002-03 FY 2003-04

REVENUES

Solid Waste Management Less than \$1,000 loss per year
Trust Fund

PRINCIPAL DEPARTMENT(S) &

PROGRAM(S) AFFECTED: Department of Revenue

EFFECTIVE DATE: The act is effective July 1, 1999.

BILL SUMMARY:

The bill extends the publisher tax credit to magazine recycling programs as well as newspaper recycling programs.

BACKGROUND:

A newspaper publisher pays a privilege tax of \$15 for each ton of paper that does not have a recycled content of 35%. The publisher currently receives a half ton credit against the tax for each ton of newsprint it recycles. Publishers pay the tax when they file their annual report with the Secretary of Revenue by January 31 each year.

ASSUMPTIONS AND METHODOLOGY:

The Department of Revenue collected only \$1,180.95 from 86 publishers in 1998. Adding magazines to the formula to determine the tax credit will reduce the amount of tax paid. However, the reduction cannot be calculated due to lack of data. The N.C. Recycling Association could not provide data on the amount of magazines that might be recycled each year.

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