

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 2041

Short Title: Withhold Taxes/Undocumented Workers. (Public)

Sponsors: Representatives Harrison, Glazier (Primary Sponsors); Faison, Hurley, and Insko.

Referred to: Judiciary III, if favorable, Finance.

May 10, 2007

1 A BILL TO BE ENTITLED
2 AN ACT TO REQUIRE A PAYER TO WITHHOLD STATE TAXES FROM
3 COMPENSATION PAID TO AN UNDOCUMENTED WORKER.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-163.1 reads as rewritten:

6 "**§ 105-163.1. Definitions.**

7 The following definitions apply in this Article:

8 (1) Compensation. – Consideration a payer pays a nonresident ~~individual~~
9 ~~or individual, a nonresident entity–entity, or an undocumented worker~~
10 for personal services performed in this State.

11 (2) Contractor. – ~~Either~~ Any of the following:

12 a. A nonresident individual who performs in this State for
13 compensation other than wages any personal services in
14 connection with a performance, an entertainment, an athletic
15 event, a speech, or the creation of a film, radio, or television
16 program.

17 b. A nonresident entity that provides for the performance in this
18 State for compensation of any personal services in connection
19 with a performance, an entertainment, an athletic event, a
20 speech, or the creation of a film, radio, or television program.

21 c. An undocumented worker who performs any personal services
22 in this State for compensation other than wages.

23 ...

24 (12a) Unauthorized worker. – An unauthorized alien as defined in 8 U.S.C. §
25 1324a(h)(3).

26"

27 **SECTION 2.** This act becomes effective January 1, 2008, and applies to
28 payments made on or after that date.