

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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HOUSE DRH70038-MC-53 (02/06)

Short Title: Repeal Estate Tax. (Public)

Sponsors: Representatives Martin, Howard, Moffitt, and Setzer (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO REPEAL THE ESTATE TAX.

3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** Article 1A of Chapter 105 of the General Statutes is repealed.

5 **SECTION 2.** G.S. 105-241.10 reads as rewritten:

6 "**§ 105-241.10. Limit on refunds and assessments after a federal determination.**

7 The limitations in this section apply when a taxpayer files a timely return reflecting a
8 federal determination that affects the amount of State tax payable and the general statute of
9 limitations for requesting a refund or proposing an assessment of the State tax has expired. A
10 federal determination is a correction or final determination by the federal government of the
11 amount of a federal tax due. A return reflecting a federal determination is timely if it is filed
12 within the time required by G.S. ~~105-32.8~~, 105-130.20, 105-159, 105-160.8, or 105-163.6A, as
13 appropriate. The limitations are:

14 (1) Refund. – A taxpayer is allowed a refund only if the refund is the result of
15 adjustments related to the federal determination.

16 (2) Assessment. – A taxpayer is liable for additional tax only if the additional
17 tax is the result of adjustments related to the federal determination. A
18 proposed assessment may not include an amount that is outside the scope of
19 this liability."

20 **SECTION 3.** G.S. 105-236(a)(5) reads as rewritten:

21 "(a) Penalties. – The following civil penalties and criminal offenses apply:

22 ...

23 (5) Negligence. –

24 ...

25 e. ~~Estate tax deficiencies. — This subdivision does not apply to estate~~
26 ~~tax deficiencies that are the result of valuation understatements.~~

27"

28 **SECTION 4.** Sections 1, 2, and 3 of this act become effective January 1, 2013, and
29 apply to the estates of decedents dying on or after that date. The remainder of this act is
30 effective when it becomes law.

