

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 1289

Short Title: Limit Recycling Tax Incentives.

(Public)

Sponsors: Representative Luebke.

Referred to: Finance.

April 15, 1999

A BILL TO BE ENTITLED

AN ACT TO REMOVE THE SPECIAL TAX TREATMENT FOR EQUIPMENT AND FACILITIES FOR RECYCLING, WASTE REDUCTION, OR RESOURCE RECOVERY WHEN ACQUIRED MORE THAN TWO YEARS PRIOR TO THE DATE OF APPLICATION FOR CERTIFICATION BY THE DEPARTMENT OF ENVIRONMENT AND NATURAL RESOURCES AND TO LIMIT TO THREE YEARS THE CERTIFICATION FOR SPECIAL TAX TREATMENT FOR REAL PROPERTY USED FOR RECYCLING, WASTE REDUCTION, OR RESOURCE RECOVERY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 130A-294(a)(3) reads as rewritten:

"(3) Develop and adopt rules to establish standards for qualification as a 'recycling, reduction or resource recovering facility' or as 'recycling, reduction or resource recovering equipment' for the purpose of special tax classifications or treatment, and to certify as qualifying those applicants which meet the established standards. The standards shall be developed to qualify only those facilities and equipment exclusively used in the actual waste recycling, reduction or resource recovering process and shall exclude any incidental or supportive facilities and ~~equipment; equipment.~~ Facilities or equipment acquired by the applicant

1                   or a related person more than two years prior to the date application is  
2                   made for certification under this subdivision shall not be certified as  
3                   qualifying for special tax classification or treatment under this  
4                   subdivision. A certificate that qualifies real property for special tax  
5                   classification or treatment under this subdivision shall be limited to  
6                   three years from the date the certificate is issued and shall not be  
7                   renewed or reissued for that applicant or a related person. For purposes  
8                   of this subdivision, 'related person' means a related person as  
9                   determined under section 267(b) or 707(b) of the Internal Revenue  
10                   Code."

11                   Section 2. This act is effective for taxes imposed for taxable years beginning  
12                   on or after July 1, 1999.