

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 1290

Short Title: Limit Recycling Tax Incentives.

(Public)

Sponsors: Representative Luebke.

Referred to: Finance.

April 19, 1999

A BILL TO BE ENTITLED

1 AN ACT TO REMOVE THE SPECIAL TAX TREATMENT FOR EQUIPMENT AND
2 FACILITIES FOR RECYCLING, WASTE REDUCTION, OR RESOURCE
3 RECOVERY WHEN ACQUIRED MORE THAN TWO YEARS PRIOR TO THE
4 DATE OF APPLICATION FOR CERTIFICATION BY THE DEPARTMENT OF
5 ENVIRONMENT AND NATURAL RESOURCES AND TO LIMIT TO THREE
6 YEARS THE CERTIFICATION FOR SPECIAL TAX TREATMENT FOR REAL
7 PROPERTY USED FOR RECYCLING, WASTE REDUCTION, OR RESOURCE
8 RECOVERY.
9

10 The General Assembly of North Carolina enacts:

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

12 "(3) Develop and adopt rules to establish standards for qualification as a
13 'recycling, reduction or resource recovering facility' or as 'recycling,
14 reduction or resource recovering equipment' for the purpose of special
15 tax classifications or treatment, and to certify as qualifying those
16 applicants which meet the established standards. The standards shall be
17 developed to qualify only those facilities and equipment exclusively
18 used in the actual waste recycling, reduction or resource recovering
19 process and shall exclude any incidental or supportive facilities and
20 ~~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.