

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1648

Short Title: Joint Agency Sales Tax Refund.

(Public)

Sponsors: Representatives Nesbitt, Sherrill, Cansler, and Ives.

Referred to: Finance.

May 28, 1998

A BILL TO BE ENTITLED

1 AN ACT TO PROVIDE THAT LOCAL GOVERNMENT UNITS ENTITLED TO
2 SALES TAX REFUNDS RETAIN THE RIGHT TO REFUNDS WHEN ACTING
3 THROUGH A JOINT AGENCY.
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5 The General Assembly of North Carolina enacts:

6 Section 1. G. S. 105-164.14(c) reads as rewritten:

7 "(c) Certain Governmental Entities. – A governmental entity listed in this
8 subsection is allowed an annual refund of sales and use tax paid by it under this Article,
9 except under G.S. 105-164.4(a)(4a) and G.S. 105-164.4(a)(4c), on direct purchases of
10 tangible personal property. Sales and use tax liability indirectly incurred by a
11 governmental entity on building materials, supplies, fixtures, and equipment that become
12 a part of or annexed to any building or structure that is owned or leased by the
13 governmental entity and is being erected, altered, or repaired for use by the governmental
14 entity is considered a sales or use tax liability incurred on direct purchases by the
15 governmental entity for the purpose of this subsection. A request for a refund must be in
16 writing and must include any information and documentation required by the Secretary.
17 A request for a refund is due within six months after the end of the governmental entity's
18 fiscal year.

19 This subsection applies only to the following governmental entities:

20 (1) A county.

- 1 (2) A city as defined in G.S. 160A-1.
2 (2a) A consolidated city-county as defined in G.S. 160B-2.
3 (2b) A joint agency created by interlocal agreement pursuant to G.S. 160A-
4 462, if each participating unit of local government is a governmental
5 entity listed in this subsection.
6 (3) A metropolitan sewerage district or a metropolitan water district in this
7 State.
8 (4) A water and sewer authority created under Chapter 162A of the General
9 Statutes.
10 (5) A lake authority created by a board of county commissioners pursuant
11 to an act of the General Assembly.
12 (6) A sanitary district.
13 (7) A regional solid waste management authority created pursuant to G.S.
14 153A-421.
15 (8) An area mental health, developmental disabilities, and substance abuse
16 authority, other than a single-county area authority, established pursuant
17 to Article 4 of Chapter 122C of the General Statutes.
18 (9) A district health department, or a public health authority created
19 pursuant to Part 1A of Article 2 of Chapter 130A of the General
20 Statutes.
21 (10) A regional council of governments created pursuant to G.S. 160A-470.
22 (11) A regional planning and economic development commission or a
23 regional economic development commission created pursuant to
24 Chapter 158 of the General Statutes.
25 (12) A regional planning commission created pursuant to G.S. 153A-391.
26 (13) A regional sports authority created pursuant to G.S. 160A-479.
27 (14) A public transportation authority created pursuant to Article 25 of
28 Chapter 160A of the General Statutes.
29 (14a) A facility authority created pursuant to Part 4 of Article 20 of Chapter
30 160A of the General Statutes.
31 (15) A regional public transportation authority created pursuant to Article 26
32 of Chapter 160A of the General Statutes, or a regional transportation
33 authority created pursuant to Article 27 of Chapter 160A of the General
34 Statutes.
35 (16) A local airport authority that was created pursuant to a local act of the
36 General Assembly and has at least one of the following characteristics:
37 a. It has all of the rights of a municipality.
38 b. A local act of the General Assembly declares it to be a
39 municipality.
40 c. A local act of the General Assembly specifically authorizes it to
41 receive a refund under this section.
42 (17) A joint agency created by interlocal agreement pursuant to G.S. 160A-
43 462 to operate a public broadcasting television station.

- 1 (18) The North Carolina Low-Level Radioactive Waste Management
2 Authority created pursuant to Chapter 104G of the General Statutes.
3 (19) The North Carolina Hazardous Waste Management Commission created
4 pursuant to Chapter 130B of the General Statutes.
5 (20) A constituent institution of The University of North Carolina, but only
6 with respect to sales and use tax paid by it for tangible personal property
7 acquired by it through the expenditure of contract and grant funds.
8 (21) The University of North Carolina Hospitals at Chapel Hill.
9 (22) A regional natural gas district created pursuant to Article 28 of Chapter
10 160A of the General Statutes."
11 Section 2. This act becomes effective July 1, 1997, and applies to taxes paid
12 on or after that date.