

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 784

Short Title: Conform Tax Extension Rules.

(Public)

Sponsors: Senators Webster, Hartsell, Kerr; Allran, Ballantine, Blust, Carpenter, Clark, Cochrane, East, Forrester, Garwood, Horton, Hoyle, Kincaid, Ledbetter, McDaniel, Page, Reeves, and Shaw of Guilford.

Referred to: Finance.

April 10, 1997

A BILL TO BE ENTITLED

1 AN ACT TO PROVIDE TAX RELIEF AND SIMPLIFICATION BY CONFORMING
2 STATE TAX LAW TO THE FEDERAL RULE THAT GRANTS A FILING
3 EXTENSION EVEN IF THE REQUEST IS NOT ACCOMPANIED BY PAYMENT.

4 The General Assembly of North Carolina enacts:

5 Section 1. G. S. 105-263 reads as rewritten:

6 "**§ 105-263. Extensions of time for filing a report or return.**

7 The Secretary may extend the time in which a person must file a report or return with
8 the Secretary. To obtain an extension of time for filing a report or return, a person must
9 comply with any application requirement set by the Secretary. ~~In addition, if the extension~~
10 ~~is for~~ An extension of time for filing a franchise tax return, an income tax return, or a gift
11 ~~tax return, the person must pay the amount of tax expected to be due with the return by the~~
12 ~~original due date of the return; an extension of time for filing one of these returns~~ return ~~does~~
13 ~~not extend the time for paying the tax due or the time when a penalty attaches for failure~~
14 ~~to pay the tax.~~ An extension of time for filing

15 ~~If the extension is for a report or any return other than a franchise tax return, an~~
16 ~~income tax return, or a gift tax return, the person is not required to pay the amount of tax~~
17 ~~expected to be due with the report or return by the original due date of the report or~~
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1 ~~return; an extension of time for filing a report or one of these other returns~~ return extends
2 the time for paying the tax due and the time when a penalty attaches for failure to pay the
3 tax. When an extension of time for filing a report or return extends the time for paying
4 the tax expected to be due with the report or return, interest, at the rate established
5 pursuant to G.S. 105-241.1(i), accrues on the tax due from the original due date of the
6 report or return to the date the tax is paid."

7 Section 2. The Secretary of Revenue shall draw from collections under Article
8 4 of Chapter 105 of the General Statutes for the 1997-98 fiscal year the one-time
9 computer programming costs of implementing this act.

10 Section 3. This act becomes effective January 1, 1998, and applies to returns
11 due on or after that date.