



1           (2) 'Person' means a natural person, partnership, or corporation that earns  
2           less than two hundred fifty thousand dollars (\$250,000) in annual net  
3           income from the production of raw agricultural products.

4           (3) 'Qualified North Carolina value-added agribusiness' means a  
5           commercial entity operating in this State that uses, processes, refines,  
6           or packages raw agricultural products in a manner that increases the  
7           value of the raw agricultural products on the market.

8           (d) To claim a credit allowed by this Article, the taxpayer shall provide any  
9           information required by the Secretary of Revenue. Every taxpayer claiming a credit  
10          under this Article shall maintain and make available for inspection by the Secretary of  
11          Revenue any records the Secretary considers necessary to determine and verify the  
12          amount of the credit to which the taxpayer is entitled. The burden of proving eligibility  
13          for the credit and the amount of the credit shall rest upon the taxpayer, and no credit  
14          shall be allowed to a taxpayer that fails to maintain adequate records or to make them  
15          available for inspection.

16          (e) The total amount of all tax credits allowed to taxpayers under this section for  
17          contributions made in a calendar year may not exceed two million dollars (\$2,000,000).  
18          The Secretary must calculate the total amount of tax credits claimed from the  
19          applications filed under this section. If the total amount of tax credits claimed for  
20          contributions made in a calendar year exceeds two million dollars (\$2,000,000), the  
21          Secretary must allow a portion of the credits claimed by allocating a total of two million  
22          dollars (\$2,000,000) in tax credits in proportion to the size of the credit claimed by each  
23          taxpayer. If a credit is reduced pursuant to this subsection, the Secretary must notify the  
24          taxpayer of the amount of the reduction of the credit on or before December 31 of the  
25          year the application was filed. The Secretary's allocations based on applications filed  
26          pursuant to this section are final and will not be adjusted to account for credits applied  
27          for but not claimed."

28                 **SECTION 2.** This act is effective for taxable years beginning on or after  
29                 January 1, 2001.