

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2001

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SENATE BILL 1253  
Finance Committee Substitute Adopted 7/24/02

Short Title: Amend Pollution Abatement Tax Exclusion.

(Public)

Sponsors:

Referred to:

June 6, 2002

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROVIDE THAT CERTAIN ANIMAL WASTE MANAGEMENT  
3 SYSTEMS SHALL NOT QUALIFY FOR SPECIAL PROPERTY  
4 CLASSIFICATION AND EXCLUSION FROM THE TAX BASE PURSUANT TO  
5 G.S. 105-275(8) AND TO DIRECT THE REVENUE LAWS STUDY  
6 COMMITTEE TO STUDY ISSUES RELATED TO THE TAX EXCLUSION, AS  
7 RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.

8 The General Assembly of North Carolina enacts:

9 SECTION 1. G.S. 105-275(8) is amended by adding a new sub-subdivision  
10 to read:

11 "a1. Sub-subdivision a. of this subdivision shall not apply to an  
12 animal waste management system, as defined in  
13 G.S. 143-215.10B, unless the Environmental Management  
14 Commission determines that the animal waste management  
15 system will accomplish all of the following:

- 16 1. Eliminate the discharge of animal waste to surface  
17 waters and groundwater through direct discharge,  
18 seepage, or runoff.
- 19 2. Substantially eliminate atmospheric emissions of  
20 ammonia.
- 21 3. Substantially eliminate the emission of odor that is  
22 detectable beyond the boundaries of the parcel or tract of  
23 land on which the farm is located.
- 24 4. Substantially eliminate the release of disease-  
25 transmitting vectors and airborne pathogens.
- 26 5. Substantially eliminate nutrient and heavy metal  
27 contamination of soil and groundwater."

28 SECTION 2. The Revenue Laws Study Committee shall study issues related  
29 to the application of G.S. 105-275(8). The Committee shall consider whether the tax

1 exclusion should be limited to real or personal property that is subject to or is part of a  
2 facility that is subject to an individual permit issued by the Environmental Management  
3 Commission. The Committee shall also consider whether the tax exclusion should be  
4 phased out for certain types of real or personal property. In conducting this study, the  
5 Committee shall consult with the North Carolina Association of County Commissioners  
6 and the North Carolina League of Municipalities. The Committee shall report its  
7 findings and recommendations, including legislative proposals, if any, to the 2003  
8 General Assembly.

9           **SECTION 3.** This act is effective when it becomes law. Section 1 of this act  
10 applies to taxes imposed for taxable years beginning on or after July 1, 2002.