

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

SENATE BILL 561
RATIFIED BILL

AN ACT TO CONFORM TREATMENT OF LEASEHOLD INTERESTS IN EXEMPT PROPERTY TO THAT OF OTHER TYPES OF INTANGIBLE PERSONAL PROPERTY FOR PURPOSES OF THE PROPERTY TAX AND TO PROVIDE THAT THE SITUS OF TAX LAW VIOLATIONS IS IN THE COUNTY WHERE THE CHARGED OFFENSE OCCURS.

The General Assembly of North Carolina enacts:

SECTION 1.(a) G.S. 105-275 reads as rewritten:

"§ 105-275. **Property classified and excluded from the tax base.**

The following classes of property are designated special classes under Article V, Sec. 2(2), of the North Carolina Constitution and are excluded from tax:

...

(31) Intangible personal property other than ~~a leasehold interest that is in exempted real property and is not excluded under subdivision (31e) of this section.~~ This subdivision does not affect the taxation of software not otherwise excluded by subdivision (40) of this section.

...

(31e) ~~A leasehold interest in real property that is exempt under G.S. 105-278.1 and is used to provide affordable housing for employees of the unit of government that owns the property.~~

...."

SECTION 1.(b) This section is effective for taxes imposed for taxable years beginning on or after July 1, 2019.

SECTION 2.(a) G.S. 105-236(b) reads as rewritten:

"(b) Situs. – ~~Violation~~ Civilly, a violation of a tax law is considered an act committed in part at the office of the Secretary in Raleigh. Criminally, a violation of a tax law shall not be considered an act committed at the office of the Secretary in Raleigh. The District Attorney of the county where the charged offense occurred shall have sole jurisdiction to prosecute violations of tax law, but the Attorney General shall have concurrent jurisdiction in such prosecutions if the District Attorney requests, in writing, that the Attorney General prosecute the violation. The certificate of the Secretary that a tax has not been paid, a return has not been filed, or information has not been supplied, as required by law, is prima facie evidence that the tax has not been paid, the return has not been filed, or the information has not been supplied."

SECTION 2.(b) This section becomes effective December 1, 2018, and applies to offenses committed on or after that date.



law. **SECTION 3.** Except as otherwise provided, this act is effective when it becomes
In the General Assembly read three times and ratified this the 15th day of June, 2018.

s/ Philip E. Berger
President Pro Tempore of the Senate

s/ Tim Moore
Speaker of the House of Representatives

Roy Cooper
Governor

Approved _____m. this _____ day of _____, 2018