

NORTH CAROLINA GENERAL ASSEMBLY
1971 SESSION

CHAPTER 833
SENATE BILL 670

AN ACT TO REDUCE THE FRANCHISE OR PRIVILEGE TAX ON CITY TRANSIT SYSTEMS.

The General Assembly of North Carolina enacts:

Section 1. Article 3 of Chapter 105 of the General Statutes of North Carolina is hereby amended in the following particulars:

(A) The catchline to G.S. 105-116 is amended by deleting therefrom the words "street railway, street bus" so that the catchline as amended shall read:

"§105-116. Franchise or privilege tax on electric light, power, gas, water, sewerage, and other similar public service companies not otherwise taxed."

(B) That part of subsection (a) of G.S. 105-116 preceding the colon in line 12 thereof is amended by rewriting the same so that it shall read as follows:

"(a) Every person, firm or corporation, domestic or foreign, other than municipal corporations, engaged in the business of furnishing electricity, electric lights, current, power or piped gas, or owning and/or operating a water system subject to regulation by the North Carolina Utilities Commission, or owning and/or operating a public sewerage system, or owning and/or operating a street transportation system for the transportation of freight for hire, shall, within 30 days after the first day of January, April, July and October of each year, make and deliver to the Commissioner of Revenue, upon such forms and blanks as required by him. a report verified by the affirmation of the officer or authorized agent making such report and statement, containing the following information".

(C) Subsection (c) of G.S. 105-116 is amended by changing the colon following the words "six per cent (6%)" in line 12 thereof to a period and deleting the remainder of subsection (c).

(D) New G.S. 105-120.1 is enacted to read as follows:

"§ 105-120.1. Franchise or privilege tax on street bus or similar street transportation system for the transportation of passengers for hire. — (a) Every person, firm or corporation, domestic or foreign, other than municipal corporations, owning and/or operating a street railway, street bus or similar street transportation system for the transportation of passengers for hire shall on or before the first day of June of each year pay to the Commissioner of Revenue an annual franchise or privilege tax in the amount of twenty-five dollars (\$25.00).

(b) Businesses taxed under this section shall not be required to pay the franchise tax imposed by G.S. 105-122 or G.S. 105-123 and no county, city or town shall impose a franchise, license or privilege tax upon the business taxed under this section."

(E) The second paragraph of G.S. 105-125 is amended by deleting from line 4 thereof the words "street railway" and by changing the period after the word "schedule" in line 7 thereof to a semi-colon and adding the words "except that the provisions of G.S. 105-122 and G.S. 105-123 shall not apply to businesses taxed under G.S. 105-120.1."

Sec. 2. This act shall become effective July 1, 1971.

In the General Assembly read three times and ratified, this the 12th day of July, 1971.