

GENERAL ASSEMBLY OF NORTH CAROLINA
1995 SESSION

CHAPTER 543
SENATE BILL 202

AN ACT TO ENCOURAGE THE COMPOSTING OF POULTRY CARCASSES AND
PROVIDE AN INCOME TAX CREDIT FOR POULTRY COMPOSTING
FACILITIES.

The General Assembly of North Carolina enacts:

Section 1. Division II of Article 4 of Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ 105-151.25. Credit for construction of a poultry composting facility.

(a) Credit. – A taxpayer or Subchapter S corporation who constructs in this State a poultry composting facility as defined in G.S. 106-549.51 for the composting of whole, unprocessed poultry carcasses from commercial operations in which poultry is raised or produced is allowed as a credit against the tax imposed by this Division an amount equal to twenty-five percent (25%) of the installation, materials, and equipment costs of construction paid during the taxable year. This credit may not exceed one thousand dollars (\$1,000) for any single installation. The credit allowed by this section may not exceed the amount of tax imposed by this Division for the taxable year reduced by the sum of all credits allowable, except payments of tax by or on behalf of the taxpayer. The credit allowed by this section does not apply to costs paid with funds provided the taxpayer by a State or federal agency.

(b) Property Owned by the Entirety. – In the case of property owned by the entirety, if both spouses are required to file North Carolina income tax returns, the credit allowed by this section may be claimed only if the spouses file a joint return. If only one spouse is required to file a North Carolina income tax return, that spouse may claim the credit allowed by this section on a separate return."

Sec. 2. G.S. 106-549.70 reads as rewritten:

"§ 106-549.70. Disposal ~~pit or incinerator.~~ pit, incinerator, or poultry composting facility required.

Every person, firm or corporation engaged in ~~growing poultry, turkeys or other domestic fowl or products thereof raising or producing poultry~~ for commercial purposes shall provide and maintain a disposal ~~pit or incinerator~~ pit, incinerator, or poultry composting facility of a size and design, approved by the Department of Agriculture, ~~wherein in which all dead diseased~~ poultry carcasses are disposed. ~~shall be disposed of in a manner to prevent the spread of disease; provided, that the provisions of this Article shall~~ This section does not apply to ~~growers of poultry, turkeys or other domestic fowl~~ poultry producers with flocks of 200 or less. The definitions provided in Article 49D of this Chapter apply in this Article."

Sec. 3. G.S. 106-549.51 is amended by adding a new subdivision to read:
"(25a) 'Poultry composting facility' means a structure or enclosure in which whole, unprocessed poultry carcasses are decomposed by a natural process into an organic, biologically safe by-product that can be used for plant food."

Sec. 4. Section 1 of this act becomes effective for taxable years beginning on or after January 1, 1995, and expires for taxable years beginning on or after January 1, 1998. The remainder of this act is effective upon ratification.

In the General Assembly read three times and ratified this the 29th day of July, 1995.

Dennis A. Wicker
President of the Senate

Harold J. Brubaker
Speaker of the House of Representatives