

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1248*
Committee Substitute Favorable 6/4/98
Committee Substitute #2 Favorable 6/24/98

Short Title: Exempt Tobacco Assistance Payments.

(Public)

Sponsors:

Referred to:

May 12, 1998

1 A BILL TO BE ENTITLED
2 AN ACT TO EXEMPT FROM INCOME TAX FEDERAL PAYMENTS TO
3 TOBACCO ALLOTMENT HOLDERS, TOBACCO WORKERS, TOBACCO
4 WAREHOUSE OWNERS, AND TOBACCO FARMERS AS COMPENSATION
5 FOR LOSSES DUE TO FEDERAL LEGISLATION.

6 The General Assembly of North Carolina enacts:

7 Section 1. G.S. 105-130.5(b) is amended by adding a new subdivision to read:

8 "(17) The amount paid to the taxpayer by the federal government during the
9 taxable year as reimbursement for:

10 a. Loss of tobacco quotas.

11 b. Any purpose provided by federal legislation specific to the
12 tobacco industry, which compensates the taxpayer for harm done
13 to the tobacco industry by legislation specific to the tobacco
14 industry. This paragraph specifically includes compensation by
15 such legislation to owners of tobacco warehouses."

16 Section 2. G.S. 105-134.6(b) is amended by adding a new subdivision to read:

17 "(15) The amount paid to the taxpayer by the federal government during
18 the taxable year for any of the following:

- 1 a. Reimbursement for loss of tobacco quotas.
2 b. Transition assistance for tobacco workers.
3 c. Higher education assistance grants for members of tobacco farm
4 families granted because of legislation specific to the tobacco
5 industry.
6 d. Any purpose provided by federal legislation specific to the
7 tobacco industry, which compensates the taxpayer for harm done
8 to the tobacco industry by legislation specific to the tobacco
9 industry. This paragraph specifically includes compensation by
10 such legislation to owners of tobacco warehouses."

11 Section 3. This act is effective for taxable years beginning on or after January
12 1, 1998.