

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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HOUSE BILL 1520*

Short Title: Extend Qualified Business Venture Tax Credit. (Public)

Sponsors: Representatives Allen, Luebke (Primary Sponsors); Buchanan, Hill, Holliman, Jarrell, McComas, Wainwright, Alexander, Cox, Dedmon, Edwards, Hurley, Morris, and Weiss.

Referred to: Finance.

June 5, 2002

A BILL TO BE ENTITLED

1 AN ACT TO EXTEND THE SUNSET ON TAX CREDITS FOR QUALIFIED
2 BUSINESS INVESTMENTS.
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4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Section 7 of Chapter 443 of the 1993 Session Laws, as
6 amended by Section 29A.15 of S.L. 1998-212, is repealed.

7 **SECTION 2.** Section 10 of Chapter 443 of the 1993 Session Laws, as
8 amended by Section 29A.15 of S.L. 1998-212, reads as rewritten:

9 "Sec. 10. Section 6 of this act is effective upon ratification. ~~Section 7 of this act~~
10 ~~becomes effective for investments made on or after January 1, 2003.~~ The remainder of
11 this act becomes effective for taxable years beginning on or after January 1, 1994.

12 A business registered as a qualified business venture or a qualified grantee business
13 before January 1, 1994, retains its registration until the renewal date for the registration
14 of that business under Part 5 of Article 4 of Chapter 105 of the General Statutes as in
15 effect before January 1, 1994. The Secretary of State shall not grant renewal of a
16 registration as a qualified business venture or a qualified grantee business unless at the
17 time of filing the renewal application, the business meets the requirements then in effect
18 for a new registration.

19 Notwithstanding the provisions of G.S. 105-163.014(a), as amended by this act, a
20 credit under Part 5 of Article 4 of Chapter 105 of the General Statutes for an investment
21 made before January 1, 1994, is not forfeited solely on the grounds that a sibling of the
22 taxpayer provides services for compensation to the business in which the taxpayer
23 invested.

24 Notwithstanding the provisions of G.S. 105-163.014(d), as amended by this act, a
25 credit under Part 5 of Article 4 of Chapter 105 of the General Statutes for an investment
26 made before January 1, 1994, is not forfeited solely on the grounds that a redemption of

1 the securities received in the investment is made within five years after the investment
2 was made.

3 The Secretary of State may require a qualified business venture or a qualified
4 grantee business that is unable to renew its registration after January 1, 1994, to file
5 reports the Secretary of State considers appropriate to determine the location of the
6 headquarters and principal business operations of the business until three years after the
7 date of the last investment in the business that qualified for the tax credit allowed under
8 Part 5 of Article 4 of Chapter 105 of the General Statutes."

9 **SECTION 3.** Part 5 of Article 4 of Chapter 105 of the General Statutes is
10 amended by adding a new section to read:

11 "**§ 105-163.015. Sunset.**

12 This Article is repealed effective for investments made on or after January 1, 2004."

13 **SECTION 4.** This act is effective when it becomes law.