

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

**SESSION LAW 2004-134
HOUSE BILL 1602**

**AN ACT TO DELAY THE IMPOSITION ON PARTNERSHIPS OF THE DOLLAR
AMOUNT LIMITATION ON THE CREDIT ALLOWED FOR REAL PROPERTY
DONATIONS.**

The General Assembly of North Carolina enacts:

SECTION 1. Section 3 of S.L. 2001-335 reads as rewritten:

"SECTION 3. This act becomes effective for taxable years beginning on or after January 1, 2002. Section 2 of this act expires for taxable years beginning on or after January 1, ~~2005-2006.~~"

SECTION 2.(a) The Revenue Laws Study Committee may study the credits amended by this act, G.S. 105-130.34, and G.S. 105-151.12. The study may address the following issues:

- (1) The coordination between the Department of Environment and Natural Resources and the Department of Revenue in administering the credits.
- (2) The criteria by which the Department of Environment and Natural Resources determines whether a donation provides public benefits.
- (3) The integrity of appraisals submitted by donors and procedures for preventing abuse of the credits.
- (4) Qualifications and certifications of the government and nonprofit agencies that receive the donations.
- (5) Long-term stewardship of conservation easements.
- (6) Rising land prices and the effect of the credit caps on the amount of credit that can be claimed.
- (7) Options for carryforward, refundability, and transfer of the credits.
- (8) Any other issues the Committee considers relevant to tax incentives for encouraging farmers, landowners, and developers to conserve land.

SECTION 2.(b) The Revenue Laws Study Committee shall report the results of its study to the 2005 General Assembly by February 1, 2005.

SECTION 3. This act is effective when it becomes law.
In the General Assembly read three times and ratified this the 13th day of
July, 2004.

s/ Beverly E. Perdue
President of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 12:20 p.m. this 29th day of July, 2004