

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE DRH80359-MC~~x~~-153 (3/1)

Short Title: Increase Excise Tax for Conservation.

(Public)

Sponsors: Representative Haire.

Referred to:

1 A BILL TO BE ENTITLED

2 AN ACT TO INCREASE THE STATE EXCISE TAX ON CONVEYANCES TO
3 FUND ADDITIONAL LAND CONSERVATION PROGRAMS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-228.30 reads as rewritten:

6 "**§ 105-228.30. Imposition of excise tax; distribution of proceeds.**

7 (a) An excise tax is levied on each instrument by which any interest in real
8 property is conveyed to another person. The tax rate is ~~one dollar (\$1.00)~~two dollars
9 (\$2.00) on each five hundred dollars (\$500.00) or fractional part thereof of the
10 consideration or value of the interest conveyed. The transferor must pay the tax to the
11 register of deeds of the county in which the real estate is located before recording the
12 instrument of conveyance. If the instrument transfers a parcel of real estate lying in two
13 or more counties, however, the tax must be paid to the register of deeds of the county in
14 which the greater part of the real estate with respect to value lies.

15 The excise tax on instruments imposed by this Article applies to timber deeds and
16 contracts for the sale of standing timber to the same extent as if these deeds and
17 contracts conveyed an interest in real property.

18 (b) The register of deeds of each county must remit the proceeds of the tax levied
19 by this section to the county finance officer. The finance officer of each county must
20 credit ~~one-half~~thirty-five percent (35%) of the proceeds to the county's general fund and
21 remit the remaining ~~one-half~~sixty-five percent (65%) of the proceeds, less the county's
22 allowance for administrative expenses, to the Department of Revenue on a monthly
23 basis. A county may retain ~~two percent (2%)~~one percent (1%) of the amount of tax
24 proceeds allocated for remittance to the Department of Revenue as compensation for the
25 county's cost in collecting and remitting the State's share of the tax. ~~Of the funds~~
26 ~~remitted to it pursuant to this section, the~~The Department of Revenue must credit funds
27 remitted to it pursuant to this section as follows: ~~seventy-five percent (75%)~~

- 1 (1) One-third of the funds to the Clean Water Management Trust Fund
2 established under G.S. 113A-253.
3 (2) One-third of the funds to the Agricultural Development and Farmland
4 Preservation Trust Fund established under G.S. 106-744.
5 (3) One-sixth of the funds to the Parks and Recreation Trust Fund
6 established under G.S. 113-44.15 and twenty five percent
7 ~~(25%)~~113-44.15.
8 (4) One-sixth of the funds to the Natural Heritage Trust Fund established
9 under G.S. 113-77.7."

10 **SECTION 2.** This act becomes effective July 1, 2007, and applies to
11 conveyances occurring on or after that date.