

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011**

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HOUSE DRH90101-MC-179 (04/11)

Short Title: Tax Reform Committee.

(Public)

Sponsors: Representatives Jones, Collins, Murry, and Folwell (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED

AN ACT TO STUDY THE STATE TAX SYSTEM IN ORDER TO POSSIBLY ELIMINATE
AND REPLACE THE INCOME TAX.

The General Assembly of North Carolina enacts:

SECTION 1. Establishment. – The Tax Reform Commission is established.

SECTION 2. Membership. – The Commission shall be composed of 12 members, six members appointed by the Speaker of the House of Representatives, of which at least half shall be members of the House of Representatives at the time of appointment, and six members appointed by the President Pro Tempore of the Senate, of which at least half shall be members of the Senate at the time of appointment.

The Commission shall have two cochairs, one designated by the President Pro Tempore of the Senate and one designated by the Speaker of the House of Representatives from among their appointees. The Commission shall meet upon the call of the cochairs. Vacancies shall be filled by the appointing authority. Public members shall be residents of the State. A quorum of the Commission shall be a majority of the members.

SECTION 3. Duties. – The Commission shall study the State tax system and shall identify potential methods of eliminating the State income tax while enacting other taxes and tax systems that fairly distribute the tax burden and generate sufficient revenue to continue to pay for supplying vital services to the residents of North Carolina.

SECTION 4. Compensation; administration. – Members of the Commission shall receive subsistence and travel allowances at the rates set forth in G.S. 120-3.1, 138-5, or 138-6, as appropriate. With the prior approval of the Legislative Services Commission, the Legislative Services Officer shall assign professional and clerical staff to assist in the work of the Commission. The University of North Carolina shall provide advice and staffing to the Commission. Provision of such advice and staffing shall be coordinated through the President of The University of North Carolina, utilizing appropriate resources of the various constituent institutions. With the prior approval of the Legislative Services Commission, the Commission may hold its meetings in the State Legislative Building or the Legislative Office Building. The Commission may also meet at various locations around the State in order to promote greater public participation in its deliberations. The Commission, while in the discharge of its official duties, may exercise all the powers provided under the provisions of G.S. 120-19 and G.S. 120-19.1 through G.S. 120-19.4, including the power to request that all officers, agents, agencies, and departments of the State provide any information, data, or documents within their possession, ascertainable from their records, or otherwise available to them and the power to



1 subpoena witnesses. The Commission may meet during a regular or extra session of the
2 General Assembly.

3 **SECTION 5.** Report. – The Commission shall report its findings and
4 recommendations to the 2012 Regular Session of the 2011 General Assembly no later than
5 January 31, 2012. The Commission shall terminate upon the filing of its final report.

6 **SECTION 6.** There is appropriated from the General Fund to the General Assembly
7 the sum of twenty-five thousand dollars (\$25,000) for the 2011-2012 fiscal year for performing
8 the duties set out in this act.

9 **SECTION 7.** This act is effective when it becomes law.