

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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HOUSE BILL 437

Short Title: Create NC Veterans Fund & Tax Return Checkoff. (Public)

Sponsors: Representatives D. Hall, Whitmire, Hardister, and Jeter (Primary Sponsors).
For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Homeland Security, Military, and Veterans Affairs, if favorable, Finance.

March 27, 2013

1 A BILL TO BE ENTITLED
2 AN ACT TO CREATE THE NORTH CAROLINA VETERANS FUND AND AN INCOME
3 TAX RETURN CHECK BOX FOR DONATIONS TO THE FUND.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Part 2 of Article 4 of Subchapter I of Chapter 105 of the General
6 Statutes is amended by adding a new section to read:

7 **"§ 105-159.3. Designation of tax to North Carolina Veterans Fund.**

8 (a) Allocation. – To ensure the financial viability of the North Carolina Veterans Fund
9 established in Article 7 of Chapter 165 of the General Statutes, the Department must allocate to
10 that Fund five dollars (\$5.00) from the income taxes paid each year by each individual with an
11 income tax liability of at least that amount, if the individual agrees. A taxpayer must be given
12 the opportunity to indicate an agreement or objection to that allocation in the manner described
13 in subsection (b) of this section. In the case of a married couple filing a joint return, each
14 individual must have the option of agreeing or objecting to the allocation. The amounts
15 allocated under this subsection to the Fund must be credited to it on a monthly basis.

16 (b) Returns. – Individual income tax returns must give an individual an opportunity to
17 agree to the allocation of five dollars (\$5.00) of the individual's tax liability to the North
18 Carolina Veterans Fund. The Department must make it clear to the taxpayer that the dollars will
19 support a nonpartisan veterans support system, that the dollars will go to the Fund if the
20 taxpayer marks an agreement, and that allocation of the dollars neither increases nor decreases
21 the individual's tax liability. The following statement must be used to meet this requirement:
22 "Mark "Yes" if you want to designate five dollars (\$5.00) of taxes to the North Carolina
23 Veterans Fund to support North Carolina veterans. Marking "Yes" does not change your tax or
24 refund." The Department must consult with the State Board of Elections to ensure that the
25 information given to taxpayers complies with the intent of this section.

26 The Department must inform the entities it approves to reproduce the return that they must
27 comply with the requirements of this section and that a return may not reflect an agreement or
28 objection unless the individual completing the return decided to agree or object after being
29 presented with the statement required by this subsection and, as available background
30 information or instructions, the information required by subsection (c) of this section. No
31 software package used in preparing North Carolina income tax returns may default to an
32 agreement or objection. A paid preparer of tax returns may not mark an agreement or objection
33 for a taxpayer without the taxpayer's consent.

34 (c) Instructions. – The instruction for individual income tax returns must include the
35 following explanatory statement: "The North Carolina Veterans Fund provides financial



1 support and assistance to North Carolina veterans for a variety of purposes. Five dollars from
2 the taxes you pay will go to the Fund if you mark an agreement. Regardless of what choice you
3 make, your tax will not increase, nor will any refund be reduced."

4 **SECTION 2.** Article 7 of Chapter 165 is amended by adding a new section to read:

5 **"§ 165-44.01. North Carolina Veterans Fund.**

6 (a) Creation. – The North Carolina Veterans Fund is established as a nonreverting,
7 special revenue fund in the Department of Administration to be administered by the North
8 Carolina Division of Veterans Affairs.

9 (b) Definitions. – For purposes of this section, a "veteran" is a North Carolina resident
10 who meets the requirements of G.S. 165-44.2.

11 (c) Purpose. – The purpose of the Fund shall be to provide grants or loans for any one
12 or more of the following:

13 (1) To aid homeless veterans.

14 (2) To provide business loans for veterans to establish or expand a business
15 having a veteran-ownership percentage of not less than fifty-one percent
16 (51%).

17 (3) To provide emergency personal loans to veterans.

18 (4) To provide emergency care for veterans.

19 (5) To fund mental health service programs for veterans.

20 (6) To fund in-home health care services for veterans.

21 (7) To provide transportation services for veterans.

22 (d) Veterans Fund Advisory Committee. – Each county may create a Veterans Fund
23 Advisory Committee. The Committee shall consist of up to five representatives from each
24 veterans' organization or veterans' service organization of that county upon the
25 recommendation of both (i) the county chapter of any national veterans organization and (ii) an
26 entity designated as a 501(c)(3) nonprofit organization under the Internal Revenue Code with a
27 primary purpose to benefit and assist veterans or their families. The county Veterans Services
28 Officer or, where no county Veterans Services Officer exists, the North Carolina Division of
29 Veterans Affairs Office shall convene the first meeting in a county for the purpose of
30 organizing a county's Veterans Fund Advisory Committee. Thereafter, the Veterans Fund
31 Advisory Committee shall act independently.

32 (e) Allocation. – The North Carolina Division of Veterans Affairs may disburse moneys
33 from the fund only upon a unanimous Committee vote that the application demonstrates, to the
34 satisfaction of the Committee, that the moneys disbursed will be used for a purpose satisfying
35 the requirements of this section and funds are annually appropriated for this purpose. At least
36 ninety percent (90%) of the revenues collected from taxpayers in a county shall be allocated
37 back to the county where the revenues were collected. The remaining ten percent (10%) of the
38 revenues collected from taxpayers in a county may be used for the costs of administration of
39 the Fund or, at the unanimous direction of the various Veterans Fund Advisory Committees,
40 allocated to the North Carolina Division of Veterans Affairs office for the benefit of veterans in
41 any county."

42 **SECTION 3.** This act is effective when it becomes law.