

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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HOUSE DRH80055-MC-11 (12/15)

Short Title: North Carolina Youth Advancement Program.

(Public)

Sponsors: Representative K. Alexander.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO FIGHT YOUTH GANGS THROUGH ACCESS TO PART-TIME
3 EMPLOYMENT AND GREATER ACCESS TO TUTORING AND MENTORING
4 OPPORTUNITIES.

5 The General Assembly of North Carolina enacts:

6 SECTION 1. The title of Article 3E of Chapter 105 of the General Statutes reads
7 as rewritten:

8 "Article 3E.

9 Low-Income ~~Housing~~ Tax Credits."

10 SECTION 2. G.S. 105-129.42 is amended by adding a new subsection to read:

11 "(j) Sunset. – This Article is repealed effective January 1, 2015. The repeal applies to
12 developments to which federal credits are allocated on or after January 1, 2015."

13 SECTION 3. G.S. 105-129.43 reads as rewritten:

14 "§ 105-129.43. **Substantiation.**

15 A taxpayer allowed a credit under this Article must maintain and make available for
16 inspection any information or records required by the Secretary of ~~Revenue or Revenue~~, the
17 ~~Housing Finance Agency~~ Agency, a Housing Authority, or the Department of Social Services.
18 The burden of proving eligibility for a credit and the amount of the credit rests upon the
19 taxpayer."

20 SECTION 4. G.S. 105-129.44 reads as rewritten:

21 "§ 105-129.44. **Report.**

22 The Department of Revenue must publish by May 1 of each year the following information
23 for the 12-month period ending the preceding December 31:

24 (1) The number of taxpayers that took ~~the a~~ credit allowed in this Article.

25 (2) The location of each qualified North Carolina low-income building or
26 housing development for which a credit was taken.

27 (3) The total cost to the General Fund of the credits taken."

28 SECTION 5. G.S. 105-129.45 is repealed.

29 SECTION 6. Article 3E of Chapter 105 of the General Statutes is amended by
30 adding a new section to read:

31 "§ 105-129.46. Credit for student employment program.

32 (a) Credit. – A taxpayer that hires a qualifying student to fill a new position shall be
33 allowed as a credit against the tax imposed by Article 4 of this Chapter an amount equal to the
34 number of hours the qualifying student worked multiplied by the difference between the gross



1 hourly wage paid to the qualifying student and the minimum hourly wage set forth in 29 U.S.C.
2 § 206. As used in this section, a "qualifying student" is a student that meets each of the
3 following requirements:

4 (1) Is 14 to 21 years of age and, where required by the North Carolina
5 Department of Labor, has a youth employment certificate at the time of
6 hiring.

7 (2) Is enrolled at a public school, a community college, or a public or private
8 university or college.

9 (3) Receives or is a member of a family that receives one of the following:

10 a. Free or reduced-price lunches resulting from the operation of school
11 food services pursuant to G.S. 115C-264.

12 b. Low-income housing assistance provided pursuant to Chapter 157 of
13 the General Statutes.

14 c. Public assistance under one of the programs established in Article 2
15 of Chapter 108A of the General Statutes.

16 (4) Works for the taxpayer in the State for no less than 20 hours per week and
17 no more than 40 hours per week during a week when the qualifying student's
18 school is not in session or no more than 20 hours per week during a week
19 when the qualifying student's school is in session.

20 (b) Limitations. – A taxpayer may not claim a tax credit for the portion of any gross
21 hourly wage paid during a week to more than 20 qualifying students participating in a student
22 employment program. A taxpayer may not claim a tax credit for the portion of any gross hourly
23 wage paid to a qualifying student that exceeds eleven dollars (\$11.00).

24 (c) Carryforwards. – The credit provided in this section may not exceed the amount of
25 tax against which it is claimed for the taxable year, reduced by the sum of all other credits
26 allowed against that tax, except tax payments made by or on behalf of the taxpayer. Any
27 unused portion of the credit may be carried forward for the succeeding three years."

28 **SECTION 7.** There is appropriated from the General Fund to the Department of
29 Juvenile Justice and Delinquency Prevention the sum of one million five hundred thousand
30 dollars (\$1,500,000) for the 2009-2010 fiscal year to provide mentoring and tutoring services
31 for qualifying students under G.S. 105-129.46. The funds shall be allocated as follows among
32 10 counties:

33 (1) \$100,000 each for Cleveland, Columbus, Craven, New Hanover, and
34 Robeson Counties; and

35 (2) \$200,000 each for Cumberland, Durham, Forsyth, Guilford, and
36 Mecklenburg Counties.

37 **SECTION 8.** Section 7 of this act becomes effective July 1, 2009. The remainder
38 of this act is effective for taxable years beginning on or after January 1, 2009.