

GENERAL ASSEMBLY OF NORTH CAROLINA
1997 SESSION

S.L. 1997-300
SENATE BILL 784

AN ACT TO PROVIDE TAX RELIEF AND SIMPLIFICATION BY CONFORMING STATE TAX LAW TO THE FEDERAL RULE THAT GRANTS A FILING EXTENSION EVEN IF THE REQUEST IS NOT ACCOMPANIED BY PAYMENT.

The General Assembly of North Carolina enacts:

Section 1. G. S. 105-263 reads as rewritten:

"§ 105-263. Extensions of time for filing a report or return.

The Secretary may extend the time in which a person must file a report or return with the Secretary. To obtain an extension of time for filing a report or return, a person must comply with any application requirement set by the Secretary. ~~In addition, if the extension is for~~ An extension of time for filing a franchise tax return, an income tax return, or a gift tax return, the person must pay the amount of tax expected to be due with the return by the original due date of the return; an extension of time for filing one of these returns ~~return~~ does not extend the time for paying the tax due or the time when a penalty attaches for failure to pay the tax. An extension of time for filing

~~If the extension is for a report or any return other than a franchise tax return, an income tax return, or a gift tax return, the person is not required to pay the amount of tax expected to be due with the report or return by the original due date of the report or return; an extension of time for filing a report or one of these other returns~~ return extends the time for paying the tax due and the time when a penalty attaches for failure to pay the tax. When an extension of time for filing a report or return extends the time for paying the tax expected to be due with the report or return, interest, at the rate established pursuant to G.S. 105-241.1(i), accrues on the tax due from the original due date of the report or return to the date the tax is paid."

Section 2. G.S. 105-129 reads as rewritten:

"§ 105-129. Extension of time for filing returns.

~~The~~ A return required by this Article ~~shall be~~ is due on or before the dates specified unless the Secretary of Revenue grants an extension on or before the due date of the return. ~~The Secretary of Revenue for good cause may extend the time for filing any return under this Article. A taxpayer requesting an extension of time for filing shall, on or before the date the return is due, submit an application for an extension of time for filing on a form prescribed by the Secretary and pay the full amount of the tax anticipated to be due.~~ date set in this Article. A taxpayer may ask the Secretary for an extension of time to file a return under G.S. 105-263."

Section 3. G.S. 105-130.17(d) reads as rewritten:

~~"(d) In case of sickness, absence, or other disability or whenever in his judgment good cause exists, the Secretary may allow further time for filing returns. A taxpayer requesting an extension of time for filing shall, on or before the date the return is due, submit an application for an extension of time for filing on a form prescribed by the Secretary and pay the full amount of the tax anticipated to be due. A taxpayer may ask the Secretary for an extension of time to file a return under G.S. 105-263."~~

Section 4. The Secretary of Revenue shall draw from collections under Article 4 of Chapter 105 of the General Statutes for the 1997-98 fiscal year the one-time computer programming costs of implementing this act.

Section 5. This act becomes effective January 1, 1998, and applies to returns due on or after that date.

In the General Assembly read three times and ratified this the 7th day of July, 1997.

s/ Marc Basnight
President Pro Tempore of the Senate

s/ Harold J. Brubaker
Speaker of the House of Representatives

s/ James B. Hunt, Jr.
Governor

Approved 3:50 p.m. this 15th day of July, 1997