

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 871

Short Title: Improvement Contractor City License.

(Public)

Sponsors: Senators Odom, Ward; and Tally.

Referred to: Local Government and Regional Affairs.

April 15, 1993

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE CITIES AND TOWNS TO LICENSE CONTRACTORS
ENGAGED IN THE BUSINESS OF MAKING IMPROVEMENTS TO
BUILDINGS AND STRUCTURES AND TO INCREASE THE
COLLECTIBILITY OF MUNICIPAL PRIVILEGE LICENSE TAXES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-109(e) reads as rewritten:

"(e) The provisions of this section for the collection of delinquent license taxes shall apply to license taxes levied by the cities and towns of this State under authority of this Article, or any other provision of law, in the same manner and to the same extent as they apply to taxes levied by the State and counties of this State: ~~Provided, the State. The~~ municipal finance officer charged with the duty of collecting municipal taxes may exercise the powers vested in the sheriff by this section and the powers vested in the Secretary of Revenue by subsection (d) of this section. A municipality may impose upon any person convicted under subsection (b) or (c) of this section an additional civil penalty of twenty-five dollars (\$25.00) a day for each day the license tax remains unpaid after the date it was due."

Sec. 2. Article 2 of Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ 105-75.2. Municipal license tax on improvement contractors.

(a) License. – A municipality may, by ordinance, levy a privilege license tax on every person engaged in the business of making improvements to buildings or structures within the municipality, if the cost of one or more of the improvements exceeds two

1 hundred dollars (\$200.00). This section does not apply to a trade or profession licensed
2 by an occupational licensing board of this State.

3 (b) Application. – The municipality shall prescribe the application for a license,
4 which shall contain at a minimum the following:

5 (1) The applicant's name and residence address.

6 (2) Whether the applicant is an individual, a firm, or a corporation.

7 (3) The number of years the applicant has been engaged in the business in
8 this State.

9 (4) The applicant's social security number, if an individual, and the
10 applicant's federal and State tax identification numbers.

11 (5) The number of employees the applicant employs.

12 (6) The identity of the applicant's workers' compensation and liability
13 carrier.

14 (7) The gross receipts from the applicant's business for the previous year.

15 The municipality may determine whether the provision by the applicant of any of the
16 information contained in the application is a prerequisite to licensure.

17 (c) Penalties. – Any person that engages in a business licensed under this section
18 without first obtaining the required license shall, in addition to the penalties provided in
19 G.S. 105-109, pay the taxing municipality a penalty of five hundred dollars (\$500.00)
20 for each project undertaken without a license in violation of this section. Upon receipt
21 of notice of a violation of this section, the municipal finance officer may stop the work
22 of any person being conducted in violation of this section."

23 Sec. 3. This act becomes effective July 1, 1993.