

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 329

Short Title: Expand Ports Tax Credit/AB.

(Public)

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Sponsors: Senators Hoyle, Jordan, Kerr, Martin of Pitt, Albertson, Perdue, Ballantine, and Blackmon.

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Referred to: Commerce

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March 8, 1995

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXPAND THE STATE PORTS TAX CREDIT.

3 The General Assembly of North Carolina enacts:

4 Section 1. G.S. 105-130.41 reads as rewritten:

5 "**§ 105-130.41. Credit for North Carolina State Ports Authority ~~wharfage and~~**  
6 **~~handling charges on exports.~~ wharfage, handling, and throughput charges.**

7 (a) Credit. – A taxpayer ~~who is a~~ whose waterborne cargo owner ~~utilizing the deep~~  
8 ~~water docks at the Wilmington or Morehead City port for the movement of export cargo is~~  
9 loaded onto or unloaded from an ocean carrier calling at either the State-owned port  
10 ~~terminal, terminal at Wilmington or Morehead City,~~ without consideration of the ~~free on-~~  
11 ~~board (FOB) terms under which the export cargo is moved,~~ is allowed a credit against the  
12 tax imposed by this Division. The amount of credit allowed is equal to the excess of the  
13 wharfage, ~~handling in,~~ handling (in or out), and through put charges assessed on the cargo  
14 ~~owned by that cargo owner~~ for the current taxable year over an amount equal to the average  
15 of the charges for the current taxable year and the two preceding taxable years. The credit  
16 applies to break-bulk cargo, bulk cargo, and container cargo including ~~less than container~~  
17 ~~load~~ less-than-container-load cargo. To obtain the credit, taxpayers must provide to the  
18 Secretary a statement from the State Ports Authority certifying the amount of charges for  
19 which a credit is claimed and any other information required by the Secretary.

1 (b) Limitations. – This credit may not exceed fifty percent (50%) of the amount of  
2 tax imposed by this Division for the taxable year reduced by the sum of all credits  
3 allowable, except tax payments made by or on behalf of the corporation. Any unused  
4 portion of the credit may be carried forward for the succeeding five years. The maximum  
5 cumulative credit that may be claimed by a corporation under this section is one million  
6 dollars (\$1,000,000).

7 (c) Definitions. – For purposes of this section, the terms "~~handling in~~" 'handling' (in  
8 or out) and 'wharfage' have the meanings provided in the State Ports Tariff Publications,  
9 'Wilmington Tariff, Terminal Tariff #6,' and 'Morehead City Tariff, Terminal Tariff #1.'  
10 For purposes of this section, the term 'through put' has the same meaning as 'wharfage'  
11 but applies only to bulk products, both dry and liquid."

12 Sec. 2. G.S. 105-151.22 reads as rewritten:

13 "**§ 105-151.22. Credit for North Carolina State Ports Authority ~~wharfage and~~**  
14 **~~handling charges on exports. wharfage, handling, and throughput charges.~~**

15 (a) Credit. – A taxpayer ~~who is a~~ whose waterborne cargo owner utilizing the deep  
16 water docks at the Wilmington or Morehead City port for the movement of export cargo ~~is~~  
17 loaded onto or unloaded from an ocean carrier calling at either the State-owned port  
18 terminal, terminal at Wilmington or Morehead City, without consideration of the ~~free on-~~  
19 ~~board (FOB) terms~~ under which the ~~export~~ cargo is moved, is allowed a credit against the  
20 tax imposed by this Division. The amount of credit allowed is equal to the excess of the  
21 wharfage, ~~handling in,~~ handling (in or out), and through put charges assessed on the cargo  
22 ~~owned by that cargo owner~~ for the current taxable year over an amount equal to the average  
23 of the charges for the current taxable year and the two preceding taxable years. The credit  
24 applies to break-bulk cargo, bulk cargo, and container cargo including ~~less than container~~  
25 ~~load less than container load~~ cargo. To obtain the credit, taxpayers must provide to the  
26 Secretary a statement from the State Ports Authority certifying the amount of charges for  
27 which a credit is claimed and any other information required by the Secretary.

28 (b) Limitations. – This credit may not exceed fifty percent (50%) of the amount of  
29 tax imposed by this Division for the taxable year reduced by the sum of all credits  
30 allowable, except tax payments made by or on behalf of the taxpayer. Any unused portion  
31 of the credit may be carried forward for the succeeding five years. The maximum  
32 cumulative credit that may be claimed by a taxpayer under this section is one million  
33 dollars (\$1,000,000).

34 (c) Definitions. – For purposes of this section, the terms "~~handling in~~" 'handling' (in  
35 or out) and 'wharfage' have the meanings provided in the State Ports Tariff Publications,  
36 'Wilmington Tariff, Terminal Tariff #6,' and 'Morehead City Tariff, Terminal Tariff #1.'  
37 For purposes of this section, the term 'through put' has the same meaning as 'wharfage'  
38 but applies only to bulk products, both dry and liquid."

39 Sec. 3. Section 4 of Chapter 977 of the 1991 Session Laws reads as rewritten:

40 "Sec. 4. This act is effective for taxable years beginning on or after March 1, ~~1992,~~  
41 1992. and ending on or before February 28, 1996."

42 Sec. 4. This act is effective for taxable years beginning on or after January 1,  
43 1995.