

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 1406*

Short Title: Franchise Distribution Repayment.

(Public)

Sponsors: Senator Carpenter.

Referred to: Appropriations.

May 28, 1998

1 A BILL TO BE ENTITLED
2 AN ACT TO LIMIT THE LIABILITY OF THE TOWN OF COLUMBUS FOR
3 REPAYMENT OF ERRONEOUS FRANCHISE TAX DISTRIBUTIONS.

Whereas, G.S. 105-116.1 provides for distribution of certain utility franchise tax proceeds to municipalities based on the amount of taxable utility sales within each municipality; and

Whereas, due to an incorrect report by a utility, the Town of Columbus received during a three-year period approximately one hundred eighty-seven thousand dollars (\$187,000) of tax proceeds that should have been distributed to a different municipality; and

Whereas, repayment of these funds to which the town was not entitled would create a substantial hardship because of the town's small budget; Now, therefore,

4 The General Assembly of North Carolina enacts:

5 Section 1. The Town of Columbus is required to repay only fifty thousand
6 dollars (\$50,000) of the one hundred eighty-seven thousand dollars (\$187,000)
7 distributed to it erroneously under G.S. 105-116.1.

8 Section 2. This act is effective when it becomes law.