

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

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**HOUSE BILL 1602*
Committee Substitute Favorable 6/28/04
Third Edition Engrossed 7/1/04**

Short Title: Delays \$ Limit on Credit for Partnerships.

(Public)

Sponsors:

Referred to:

May 20, 2004

A BILL TO BE ENTITLED

1 AN ACT TO DELAY THE IMPOSITION ON PARTNERSHIPS OF THE DOLLAR
2 AMOUNT LIMITATION ON THE CREDIT ALLOWED FOR REAL PROPERTY
3 DONATIONS.
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5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Section 3 of S.L. 2001-335 reads as rewritten:

7 "**SECTION 3.** This act becomes effective for taxable years beginning on or after
8 January 1, 2002. Section 2 of this act expires for taxable years beginning on or after
9 January 1, ~~2005-2007.~~"

10 **SECTION 2.(a)** The Revenue Laws Study Committee may study the credits
11 amended by this act, G.S. 105-130.34, and G.S. 105-151.12. The study may address the
12 following issues:

- 13 (1) The coordination between the Department of Environment and Natural
14 Resources and the Department of Revenue in administering the credits.
- 15 (2) The criteria by which the Department of Environment and Natural
16 Resources determines whether a donation provides public benefits.
- 17 (3) The integrity of appraisals submitted by donors and procedures for
18 preventing abuse of the credits.
- 19 (4) Qualifications and certifications of the government and nonprofit
20 agencies that receive the donations.
- 21 (5) Long-term stewardship of conservation easements.
- 22 (6) Rising land prices and the effect of the credit caps on the amount of
23 credit that can be claimed.
- 24 (7) Options for carryforward, refundability, and transfer of the credits.
- 25 (8) Any other issues the Committee considers relevant to tax incentives
26 for encouraging farmers, landowners, and developers to conserve land.

27 **SECTION 2.(b)** The Revenue Laws Study Committee shall report the

- 1 results of its study to the 2005 General Assembly by February 1, 2005.
2 **SECTION 3.** This act is effective when it becomes law.