

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003**

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HOUSE BILL 1701

Short Title: Onshore Opportunities. (Public)

Sponsors: Representatives Tolson, Walend (Primary Sponsors); Bell and Fisher.

Referred to: Finance.

May 27, 2004

1 A BILL TO BE ENTITLED
2 AN ACT TO ENHANCE CERTAIN BILL LEE ACT TAX INCENTIVES TO
3 CREATE ONSHORE OPPORTUNITIES FOR JOB CREATION IN KEY
4 INDUSTRIES AND TO LESSEN THE LIKELIHOOD OF JOB LOSSES TO
5 OVERSEAS LOCATIONS.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 105-129.2(3) reads as rewritten:

8 "(3) Computer services. – Any of the following industries or industry
9 groups, as defined by NAICS, if the taxpayer provides the services
10 primarily to persons who are not related entities with respect to the
11 taxpayer:

- 12 a. Computer systems design and related services.
- 13 b. Software publishing.
- 14 c. Software reproducing.
- 15 d. On-line information services.
- 16 e. Custom computer programming services."

17 **SECTION 2.** G.S. 105-129.4(a) reads as rewritten:

18 "(a) Type of Business. – The following conditions apply in determining a
19 taxpayer's eligibility for the credits in this Article:

20 ...

21 (4) Single establishment. – A taxpayer is eligible for the credits allowed
22 by this Article other than by G.S. 105-129.12 if the primary business
23 of the taxpayer or the primary activity of an establishment of the
24 taxpayer is one of the following types of businesses and the jobs,
25 investment, and activity with respect to which a credit is claimed are
26 used in that business:

- 27 a. Computer services.

- 1 b. An electronic mail order house that creates at least 250 new
- 2 jobs and is located in an enterprise tier one, two, or three
- 3 ~~area-area~~ or a development zone.
- 4 (5) Customer service center. – A taxpayer is eligible for the credits
- 5 allowed by this Article other than by G.S. 105-129.12 if all of the
- 6 following conditions are met:
- 7 a. The taxpayer's primary business is as a telecommunications or
- 8 financial services company, as defined by NAICS.
- 9 b. The primary activity of an establishment of the taxpayer is a
- 10 customer service center located in an enterprise tier one, two, or
- 11 three ~~area-area~~ or a development zone.
- 12 c. The jobs, investment, and activity with respect to which a credit
- 13 is claimed are used in that activity.

14 "

15 **SECTION 3.** This act is effective for taxable years beginning on or after

16 January 1, 2004.