

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2003**

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**SENATE BILL 984**

Short Title: Lower Taxes by Cutting Waste & Incentives. (Public)

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Sponsors: Senators Pittenger; Allran, Apodaca, Ballantine, Berger, Bingham, Blake, Carpenter, Carrington, Dalton, Forrester, Foxx, Garwood, Hartsell, Horton, Kerr, Lucas, Malone, Metcalf, Moore, Reeves, Rucho, Shaw, Shubert, Sloan, Smith, Soles, Stevens, Thomas, Tillman, Webster, and Weinstein.

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Referred to: Rules and Operations of the Senate.

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April 3, 2003

A BILL TO BE ENTITLED

1 AN ACT DIRECTING THE REVENUE LAWS STUDY COMMITTEE TO STUDY A  
2 PROPOSAL TO REDUCE UNNECESSARY TAX INCENTIVES AND CUT  
3 WASTE AND FRAUD IN GOVERNMENT AND USE THE RESULTING  
4 REVENUE TO LOWER PERSONAL AND CORPORATE INCOME TAX  
5 RATES.  
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7 The General Assembly of North Carolina enacts:

8 **SECTION 1.** The Revenue Laws Study Committee shall study reforming the  
9 tax structure to eliminate unneeded business incentives and cutting fraud and waste in  
10 government, in order to reduce taxes on individuals and businesses. The study shall  
11 include the following:

- 12 (1) Evaluating the effectiveness and cost of income and franchise tax  
13 incentives for businesses.
- 14 (2) Evaluating sales tax reductions and refunds targeted to specific  
15 businesses or business groups.
- 16 (3) Identifying waste and fraud in all aspects of State government, and in  
17 the use of State funds by nonstate entities.
- 18 (4) Making specific recommendations for eliminating unneeded incentives  
19 and cutting waste and fraud in government spending, and calculating  
20 the savings in taxpayer dollars that would result.
- 21 (5) Determining and recommending rate reductions for individual and  
22 corporate income taxes in order to return to taxpayers the benefit of the  
23 identified reforms in incentives and government spending, while  
24 maintaining the share of the revenue that is earmarked for public  
25 school capital needs.

- 1                   (6) Any other related issues the Study Committee considers appropriate.  
2                   **SECTION 2.** The Revenue Laws Study Committee may report its findings,  
3 together with any recommended legislation, to the 2004 Regular Session of the 2003  
4 General Assembly and shall make a final report, together with any recommended  
5 legislation, to the 2005 General Assembly.  
6                   **SECTION 3.** This act is effective when it becomes law.