

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007

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HOUSE DRH50234-LAz-6 (1/15)

Short Title: Income Tax Credit for Wildlife Land.-AB

(Public)

Sponsors: Representative Allen.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO ALLOW AN INDIVIDUAL INCOME TAX CREDIT FOR PROPERTY TAXES AND EXPENSES FOR QUALIFIED WILDLIFE LAND.

The General Assembly of North Carolina enacts:

**SECTION 1.** Part 2 of Article 4 of Chapter 105 of the General Statutes is amended by adding a new section to read:

**"§ 105-151.21A. Credit for property taxes and expenses for land that protects wildlife habitats.**

(a) Credit. – A taxpayer who owns land managed or maintained primarily to provide and protect wildlife habitats is allowed a credit against the tax imposed by this Part. The taxpayer must have had an ownership interest in the land for the three years preceding January 1 in which the credit is claimed. For the first year in which the taxpayer qualifies for the credit, the amount of the credit is equal to fifty percent (50%) of the amount of property taxes the taxpayer paid on the land during the taxable year. For the second year in which the taxpayer qualifies for the credit, the amount of the credit is equal to seventy-five percent (75%) of the amount of property taxes paid on the land during the taxable year. For the third and subsequent years, the amount of the credit is equal to the total amount of property taxes paid on the land for each taxable year.

(b) Qualifications. – The credit applies to land that is managed and maintained under a written sound management plan that has been certified by the North Carolina Wildlife Commission, and that meets one of the following requirements:

(1) The land contains priority wildlife habitats identified in the North Carolina Wildlife Action Plan.

(2) The land supports State or federally listed threatened or endangered wildlife species.

1           (3) The land is operated under a State or federal natural resources  
2           management plan for which wildlife habitat is its primary objective.

3           (c) Limitations. – The total credit allowed by subsection (a) of this section may  
4 not exceed two thousand dollars (\$2,000) for the taxable year. A taxpayer may not claim  
5 a credit allowed under this section if the land is appraised for property tax purposes as  
6 agricultural land, horticultural land, or forestland.

7           (d) Additional Credit. – If the taxpayer qualifies for the credit in subsection (a) of  
8 this section, then the taxpayer is allowed an additional credit against the tax imposed by  
9 this Part equal to the actual costs of establishing and maintaining wildlife habitats on the  
10 land. The amount of the additional credit may not exceed twelve dollars (\$12.00) per  
11 acre.

12           (e) Substantiation. – A taxpayer allowed a credit under this section must maintain  
13 and make available for inspection any information or records required by the Secretary  
14 of Revenue. The taxpayer has the burden of proving eligibility for a credit and the  
15 amount of the credit. The Secretary may consult with the North Carolina Wildlife  
16 Commission in order to determine whether the taxpayer meets the qualifications in  
17 subsection (b) of this section.

18           (f) Report. – The Department must publish by May 1 of each year the following  
19 information, itemized by taxpayer for the 12-month period ending the preceding  
20 December 31:

21           (1) The number of taxpayers taking a credit allowed in this section.

22           (2) The location and acreage of the land for which a credit was claimed.

23           (3) The qualifying costs for which an additional credit was claimed.

24           (4) The total cost to the General Fund of the credits taken under this  
25 section.

26           (g) Definitions. – The following definitions apply in this section:

27           (1) Property taxes. – The principal amount of taxes levied and assessed by  
28 a taxing unit under Subchapter II of this Chapter. The term does not  
29 include costs, penalties, interest, or other charges that may be added to  
30 the principal amount.

31           (2) Wildlife Resources Commission. – Defined in Article 24 of Chapter  
32 143 of the General Statutes."

33           **SECTION 2.** G.S. 105-259(b) is amended by adding a new subdivision to  
34 read:

35           **"§ 105-259. Secrecy required of officials; penalty for violation.**

36           (b) Disclosure Prohibited. – An officer, an employee, or an agent of the State  
37 who has access to tax information in the course of service to or employment by the State  
38 may not disclose the information to any other person unless the disclosure is made for  
39 one of the following purposes:

40           ...

41           "(38) To exchange information concerning a tax credit claimed under  
42 G.S. 105-151.21A with the North Carolina Wildlife Resources  
43 Commission of the Department of Environment and Natural Resources  
44 and to publish the reports required under those sections."

1                   **SECTION 3.** This act is effective for taxable years beginning on or after  
2 January 1, 2007, and applicable to qualifying expenses incurred on or after July 1, 2007.