

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 1236
Committee Substitute Favorable 6/4/91
Senate Finance Committee Substitute Adopted 6/24/91

Short Title: Redefine Distressed County.

(Public)

Sponsors:

Referred to:

May 10, 1991

A BILL TO BE ENTITLED

AN ACT TO CONFORM THE CRITERIA FOR DESIGNATION AS A DISTRESSED COUNTY FOR INCOME TAX PURPOSES TO THE CRITERIA USED BY THE INDUSTRIAL DEVELOPMENT FUND, TO INCREASE THE NUMBER OF SEVERELY DISTRESSED COUNTIES TO THIRTY-THREE, AND TO REPEAL THE SUNSET.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-130.40(c) reads as rewritten:

"(c) County Designation. – A severely distressed county is a county designated as ~~such~~ severely distressed by the Secretary of Economic and Community Development. Each year, on or before December 31, the Secretary of Economic and Community Development shall designate which counties are considered severely distressed, and shall provide that information to the Secretary of Revenue. A county is considered severely distressed if its distress factor is one of the ~~twenty-five~~ thirty-three highest in the State. The Secretary shall assign to each county in the State a distress factor ~~which~~ that is the sum of the following:

(1) The county's rank in a ranking of counties by rate of unemployment from lowest to ~~highest~~ and highest.

(2) ~~the~~ The county's rank in a ranking of counties by per capita income from highest to lowest.

1 (3) The county's rank in a ranking of counties by percentage growth in
2 population from lowest to highest.

3 In measuring rates of unemployment and per capita income, the Secretary shall use
4 ~~the latest available data from the North Carolina Employment Security Commission and~~
5 ~~the United States Department of Commerce for the most recent thirty-six month period~~
6 ~~for which data is available.~~ published by a State or federal agency generally recognized
7 as having expertise concerning the data. In measuring population growth, the Secretary
8 shall use the most recent estimates of population certified by the State Budget Officer.
9 A designation as a severely distressed county is effective only for the calendar year
10 following the designation."

11 Sec. 2. G.S. 105-151.17(c) reads as rewritten:

12 "(c) County Designation. – A severely distressed county is a county designated as
13 ~~such severely distressed~~ by the Secretary of Economic and Community Development.
14 Each year, on or before December 31, the Secretary of Economic and Community
15 Development shall designate which counties are considered severely distressed, and
16 shall provide that information to the Secretary of Revenue. A county is considered
17 severely distressed if its distress factor is one of the ~~twenty-five~~ thirty-three highest in
18 the State. The Secretary shall assign to each county in the State a distress factor ~~which~~
19 that is the sum of the following:

20 (1) The county's rank in a ranking of counties by rate of unemployment
21 from lowest to highest and highest.

22 (2) ~~the~~ The county's rank in a ranking of counties by per capita income
23 from highest to lowest.

24 (3) The county's rank in a ranking of counties by percentage growth in
25 population from lowest to highest.

26 In measuring rates of unemployment and per capita income, the Secretary shall use
27 ~~the latest available data from the North Carolina Employment Security Commission and~~
28 ~~the United States Department of Commerce for the most recent thirty-six month period~~
29 ~~for which data is available.~~ published by a State or federal agency generally recognized
30 as having expertise concerning the data. In measuring population growth, the Secretary
31 shall use the most recent estimates of population certified by the State Budget Officer.
32 A designation as a severely distressed county is effective only for the calendar year
33 following the designation."

34 Sec. 3. Section 3 of Chapter 568 of the 1987 Session Laws reads as
35 rewritten:

36 "Sec. 3. This act shall become effective for taxable years beginning on or after
37 ~~January 1, 1988, and shall expire for taxable years beginning on or after January 1,~~
38 ~~1993. Notwithstanding the expiration of the credit, an installment of a credit and any~~
39 ~~unused portion of a credit for which the taxpayer qualified before the act expired shall~~
40 ~~remain available to the taxpayer, to be taken in accordance with the provisions that~~
41 ~~applied to the repealed credit.~~ January 1, 1988."

42 Sec. 4. Sections 1 and 2 of this act are effective for taxable years beginning
43 on or after January 1, 1992. The remainder of this act is effective upon ratification.