

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1991

CHAPTER 965
SENATE BILL 1016

AN ACT TO REPEAL THE PRIVILEGE LICENSE TAX ON SECURITY DEALERS,
TO INCREASE THE REGISTRATION FEE FOR SECURITY SALESMEN, AND
TO MAKE TECHNICAL CHANGES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-67 is repealed.

Sec. 2. G.S. 78A-37(b) reads as rewritten:

"(b) Every applicant for initial or renewal registration shall pay a filing fee of two hundred dollars (\$200.00) in the case of a dealer and ~~forty five dollars (\$45.00)~~ fifty-five dollars (\$55.00) in the case of a salesman. The Administrator may by rule reduce the registration fee proportionately when the registration will be in effect for less than a full year."

Sec. 3. G.S. 105-83 reads as rewritten:

"§ 105-83. Installment paper dealers.

(a) Every ~~person, firm, or corporation, foreign or domestic, person~~ engaged in the business of dealing in, buying, ~~and/or or~~ discounting installment paper, notes, bonds, contracts, ~~or evidences of debt and/or other securities, debt,~~ where at the time of or in connection with the execution of said instruments, a lien is reserved or taken upon personal property located in this State to secure the payment of such obligations, shall apply for and obtain from the Secretary ~~of Revenue~~ a State license for the privilege of engaging in such business or for the purchasing of such obligations in this State, and shall pay for such license an annual tax of one hundred dollars (\$100.00).

(b) In addition to obtaining a State license from the Secretary, each person subject to the tax levied in subsection (a) ~~of this section, such person, firm, or corporation~~ shall submit to the ~~Revenue~~ Secretary quarterly no later than the twentieth day of January, April, July, and October of each year, upon forms prescribed by the ~~said~~ Secretary, a full, accurate, and complete statement, verified by the officer, agent, or person making ~~such the~~ statement, of the total face value of the installment paper, notes, bonds, contracts, ~~and evidences of debt, and/or other securities described in this section~~ debt dealt in, ~~bought and/or bought, or~~ discounted within the preceding three calendar months and, at the same time, shall pay a tax of two hundred and seventy-five thousandths of one percent (.275%) of the face value of ~~such obligations dealt in, bought and/or discounted for such period. these obligations.~~

(c) If any ~~person, firm, or corporation, foreign or domestic, shall deal~~ person deals in, buy and/or discount buys, or discounts any such paper, notes, bonds, contracts, evidences of debt and/or other securities obligations described in this section without

~~applying for and obtaining a the license for the privilege of engaging in such business of dealing in such obligations, or shall fail, refuse, or neglect to pay the taxes levied in this section, such obligation shall not be recoverable or the collection thereof enforceable at law or by suit in equity in any of the courts of this State until and when the license taxes prescribed in this section have been paid, together with any and all penalties prescribed in this Article for the nonpayment of taxes. required by this section or paying a tax imposed by this section, the person may not bring an action in a State court to enforce collection of an obligation dealt in, bought, or discounted during the period of noncompliance with this section until the person obtains the license and pays the amount of tax, penalties, and interest due.~~

(d) This section does not apply to corporations liable for the tax levied under G.S. 105-102.3.

(e) Counties, ~~cities~~ cities, and towns shall not levy any license tax on the business taxed under this section."

Sec. 4. Section 1 of this act is effective upon ratification and applies to the 1992-93 tax year and subsequent years. Section 2 of this act becomes effective January 1, 1993. The remaining sections of this act are effective upon ratification.

In the General Assembly read three times and ratified this the 16th day of July, 1992.

James C. Gardner
President of the Senate

Daniel Blue, Jr.
Speaker of the House of Representatives