GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

SESSION LAW 2002-104
SENATE BILL 1253

AN ACT TO PROVIDE THAT CERTAIN ANIMAL WASTE MANAGEMENT SYSTEMS SHALL NOT QUALIFY FOR SPECIAL PROPERTY CLASSIFICATION AND EXCLUSION FROM THE TAX BASE PURSUANT TO G.S. 105-275(8) AND TO DIRECT THE REVENUE LAWS STUDY COMMITTEE TO STUDY ISSUES RELATED TO THE TAX EXCLUSION, AS RECOMMENDED BY THE ENVIRONMENTAL REVIEW COMMISSION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-275(8) is amended by adding a new sub-subdivision to read:

"a1. Sub-subdivision a. of this subdivision shall not apply to an animal waste management system, as defined in G.S. 143-215.10B, unless the Environmental Management Commission determines that the animal waste management system will accomplish all of the following:

1. Eliminate the discharge of animal waste to surface waters and groundwater through direct discharge, seepage, or runoff.
2. Substantially eliminate atmospheric emissions of ammonia.
3. Substantially eliminate the emission of odor that is detectable beyond the boundaries of the parcel or tract of land on which the farm is located.
4. Substantially eliminate the release of disease-transmitting vectors and airborne pathogens.
5. Substantially eliminate nutrient and heavy metal contamination of soil and groundwater."

SECTION 2. The Revenue Laws Study Committee shall study issues related to the application of G.S. 105-275(8). The Committee shall consider whether the tax exclusion should be limited to real or personal property that is subject to or is part of a facility that is subject to an individual permit issued by the Environmental Management Commission. The Committee shall also consider whether the tax exclusion should be phased out for certain types of real or personal property. In conducting this study, the Committee shall consult with the North Carolina Association of County Commissioners and the North Carolina League of Municipalities. The Committee shall report its findings and recommendations, including legislative proposals, if any, to the 2003 General Assembly.

SECTION 3. This act is effective when it becomes law. Section 1 of this act applies to taxes imposed for taxable years beginning on or after July 1, 2002.

In the General Assembly read three times and ratified this the 27th day of August, 2002.

s/ Marc Basnight
President Pro Tempore of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 4:52 p.m. this 6th day of September, 2002