

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

H

1

HOUSE BILL 351

Short Title: Clarify Utility Rates. (Public)

Sponsors: Representatives Arp, Collins, and Warren (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Public Utilities.

March 26, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO CLARIFY TAX CHANGES ENACTED IN S.L. 2013-316 MUST BE  
3 REFLECTED IN UTILITY RATES.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.(a)** The purpose of this section is to clarify the intent of the 2013  
6 Session of the General Assembly that the Utilities Commission must adjust the rate for sales of  
7 electricity, piped natural gas, and water and wastewater services to reflect all of the tax changes  
8 as enacted in S.L. 2013-316.

9 **SECTION 1.(b)** Section 4.2(a) of S.L. 2013-316 reads as rewritten:

10 "**SECTION 4.2.(a)** Pursuant to ~~G.S. 62-31 and G.S. 62-32, the~~ The Utilities Commission  
11 must adjust the rate set for the following utilities:

12 (1) Electricity to reflect the repeal of G.S. 105-116 and the resulting liability of  
13 electric power companies for the tax imposed under ~~G.S. 105-122 and~~  
14 ~~for~~ G.S. 105-122, the increase in the rate of tax imposed on sales of  
15 electricity under ~~G.S. 105-164.4~~ G.S. 105-164.4, and the reduction in the  
16 corporate income tax rate imposed under G.S. 105-130.3.

17 (2) Piped natural gas to reflect the repeal of Article 5E of Chapter 105 of the  
18 General Statutes, the repeal of the credit formerly allowed under  
19 G.S. 105-122(d1), ~~and~~ the resulting liability of companies for the tax  
20 imposed on sales of piped natural gas under ~~G.S. 105-164.4~~ G.S. 105-164.4,  
21 and the reduction in the corporate income tax rate imposed under  
22 G.S. 105-130.3.

23 (3) Public water and wastewater companies to reflect the repeal of G.S. 105-116  
24 and the resulting liability of public water and wastewater companies under  
25 G.S. 105-122, and the reduction in the corporate income tax rate imposed  
26 under G.S. 105-130.3."

27 **SECTION 1.(c)** The Utilities Commission must order a utility to add interest to  
28 money refunded to its customers for refunds resulting from the reduction of the corporate  
29 income tax rate effective for taxable years beginning January 1, 2014, as provided in Section  
30 4(b) of this act. The interest rate applied to the refund must be set in accordance with  
31 G.S. 62-130.

32 **SECTION 1.(d)** Subsection (b) of this section is effective January 1, 2014. The  
33 remainder of this section is effective when it becomes law and applies to refunds issued on or  
34 after that date.

