

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2015

S

1

SENATE BILL 452

Short Title: Statute of Limitations Refund Modification. (Public)

Sponsors: Senator J. Davis (Primary Sponsor).

Referred to: Rules and Operations of the Senate.

March 26, 2015

A BILL TO BE ENTITLED

AN ACT TO EXTEND THE STATUTE OF LIMITATIONS FOR OBTAINING A REFUND OF THE INCOME TAX PAID ON AIRLINE PAYMENT AMOUNTS.

The General Assembly of North Carolina enacts:

**SECTION 1.** Purpose. – The purpose of this section is to extend the statute of limitations for requesting a refund of State income taxes to conform to federal tax treatment of the rollover of an airline payment amount by a qualified airline employee to a traditional or Roth IRA so as to prevent double taxation of the amount for State income tax purposes.

**SECTION 2.** Definitions. – The following definitions apply in this section:

(1) Airline payment amount. – Defined in section 1106(c)(1) of Public Law 112-95, as amended by Public Law 113-243.

(2) Qualified airline employee. – Defined in section 1106(c)(2) of Public Law 112-95, as amended by Public Law 113-243.

**SECTION 3.** Extension of Time to File Claim for Refund. – Notwithstanding the general statute of limitations for obtaining a refund of an overpayment of tax under G.S. 105-241.6(a), a qualified airline employee, or the surviving spouse of a qualified airline employee, that meets all of the following conditions may apply to the Department of Revenue for a refund of the State individual income tax paid on the airline payment amount that was transferred to a traditional IRA:

(1) Received an airline payment amount in a taxable year beginning before January 1, 2012, and included the amount in federal adjusted gross income.

(2) Transferred any portion of the airline payment amount to a traditional IRA, either directly or indirectly from a Roth IRA, by August 13, 2012.

(3) Filed a claim for refund of federal individual income tax paid on the airline payment amount by April 15, 2015, that was accepted by the Internal Revenue Service.

**SECTION 4.** Late Refund Request. – A request for a refund under this section must be made to the Secretary of Revenue on or before October 15, 2015. A request for a refund received after that date is barred.

**SECTION 5.** This act is effective when it becomes law.



\* S 4 5 2 - V - 1 \*