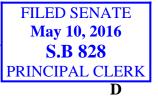
GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2015



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SENATE BILL DRS25288-MC-204A* (03/28)

Short Title:	Small Business Incentive Act.	(Public)
Sponsors:	Senator Ford (Primary Sponsor).	
Referred to:		

1		A BILL TO BE ENTITLED	
2	AN ACT TO EN	ACT THE SMALL BUSINESS INCENTIVE ACT.	
3	The General Asse	mbly of North Carolina enacts:	
4	SECT	ION 1. G.S. 105-164.13 is amended by adding a new subdivision to read:	
5	"§ 105-164.13. R	tetail sales and use tax.	
6	The sale at re	tail and the use, storage, or consumption in this State of the following tangible	
7	personal property	, digital property, and services are specifically exempted from the tax imposed	
8	by this Article:		
9			
10	<u>(66)</u>	Tangible personal property, other than a passenger automobile with a price	
11		exceeding one hundred thousand dollars (\$100,000) or not used principally for	
12		business purposes or a watercraft used principally for entertainment and	
13		pleasure outings for which no admission is charged, if all of the following are	
14		<u>met:</u>	
15		<u>a.</u> <u>It is a leasehold improvement or new equipment used to produce goods</u>	
16		or deliver services by a small business having gross annual sales of not	
17		more than two million dollars (\$2,000,000).	
18		b. It is capitalized by the taxpayer for tax purposes under the Code.	
19		<u>c.</u> <u>It has a value of at least fifty thousand dollars (\$50,000)."</u>	
20		ION 2. G.S. 105-275 is amended by adding a new subdivision to read:	
21		perty classified and excluded from the tax base.	
22		g classes of property are designated special classes under Article V, Sec. 2(2), of	
23	the North Carolin	a Constitution and are excluded from tax:	
24			
25	<u>(49)</u>	Fifteen percent (15%) of the appraised value of tangible personal property	
26		exempt from sales tax pursuant to G.S. 105-164.13(66) if the tangible personal	
27		property has a value of at least one hundred thousand dollars (\$100,000)."	
28		ION 3. Section 1 of this act becomes effective July 1, 2016, and applies to sales	
29		that date. Section 2 of this act is effective for taxes imposed for taxable years	
30	beginning on or after July 1, 2016. The remainder of this act is effective when it becomes law.		

