



# HOUSE BILL 480: ABC Permits/Tax Compliance & Reports.

2017-2018 General Assembly

<b>Committee:</b>	House Alcoholic Beverage Control	<b>Date:</b>	April 19, 2017
<b>Introduced by:</b>	Reps. Boles, J. Bell, Willingham	<b>Prepared by:</b>	Jennifer H. Bedford
<b>Analysis of:</b>	PCS to First Edition H480-CSTT-10		Legislative Analyst

**OVERVIEW:** House Bill 480 would require filing all State tax returns and paying all State taxes to receive and hold an ABC permit. The PCS for House Bill 480 would also make the required annual reports confidential.

### CURRENT LAW:

G.S. 105-230 suspends the charter of any corporation or a limited liability company that fails to file any tax return or pay any tax. Any act performed or attempted to be performed during the period of suspension is invalid and of no effect unless the charter is reinstated after filing and paying all taxes.

G.S. 18B-900(a)(8) requires that a person must be current in filing all applicable tax returns to the state in order to be eligible to receive and hold an ABC permit.

Four types of ABC permits may still be issued without State tax compliance: special occasion permit under G.S. 18B-1001(8), limited special occasion permit under G.S. 18B-1001(9), special one-time permit under G.S. 18B-1002, and salesman permit under G.S. 18B-1111.

### BILL ANALYSIS: The PCS for House Bill 480 would:

- Require the Alcoholic Beverage Control Commission (Commission) to confirm the tax compliance of brewery, and distillery permit holders by October 1 of each year.
- Authorize the Commission to suspend a brewery, or distillery permit until the Department of Revenue confirms the permit holder's tax compliance.
- Direct brewery permit holders who obtain a malt beverage wholesaler permit to make an annual report regarding the amount of malt beverages sold, to the Commission by October 1 of each year.
- Exclude the annual report information from being a public record.
- Make technical and conforming changes.

**EFFECTIVE DATE:** This act is effective when it becomes law.

**BACKGROUND:** The bill draft closely follows the statute (G.S. 18C-141) requiring lottery retailers to file and pay all State taxes.

Karen Cochrane-Brown  
Director



Legislative Analysis  
Division  
919-733-2578