



# HOUSE BILL 125: Continuing Budget Operations, Sec. 2B.12: Gross Premium Tax Offset Changes

2025-2026 General Assembly

**Analysis of:** S.L. 2025-89, Sec. 2B.12

**Date:** August 27, 2025

**Prepared by:** Legislative Analysis  
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Section 2B.12 of S.L. 2025-89 (House Bill 125) requires the gross premiums tax revenue amounts that are used to pay for the State share of costs of NC Health Works Medicaid coverage to be transferred from the Department of Revenue to a Special Fund in the Department of Health and Human Services rather than to the General Fund. The section also makes conforming changes necessary for implementation of this change.

The conforming change to the hospital assessment statutes is effective on the first day of the next assessment quarter after this act becomes law and applies to assessments imposed on or after that date. The remainder of this section became effective July 1, 2025.

Kara McCraw  
Director



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