

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1526*

Short Title: Exempt Certain Nonprofit Coverage.

(Public)

Sponsors: Representative Gulley.

Referred to: Rules, Calendar and Operations of the House.

May 27, 1998

A BILL TO BE ENTITLED

AN ACT TO EXEMPT FROM GROSS PREMIUMS TAX CERTAIN NONPROFIT INSURANCE COMPANIES PROVIDING INSURANCE ONLY TO NONPROFIT ENTITIES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-228.5(g) reads as rewritten:

"(g) Exemptions. – This section does not apply to any of the following:

(1) A farmers' mutual assessment fire insurance companies or to fraternal orders or societies that do not operate for a profit and do company.

(2) A nonprofit fraternal order or society that does not issue policies on any person except members.

(3) An insurance company that is exempt from federal income tax under section 501(c) of the Code and insures only organizations exempt from federal income tax under section 501(c)(3) of the Code."

Section 2. This act is effective for taxable years beginning on or after January 1, 1998.