



The Daily Bulletin: 2020-05-07

PUBLIC/SENATE BILLS

S 713 (2019-2020) [CREDIT FOR CERTAIN MILK PRODUCERS](#). Filed May 7 2020, *AN ACT TO PROVIDE A TAX CREDIT FOR CERTAIN MILK PRODUCERS*.

Enacts Article 3M, Milk Producer Tax Credit, of GS Chapter 105. Allows producers of qualifying milk, defined as Grade "A" milk, a tax credit for each calendar year quarter in which the USDA uniform price is less than the announced production price promulgated by the Board of Agriculture. Applies to taxpayers who produce milk in the State for wholesale and for shipment on a weekly or more frequent basis. Details credit calculation for a taxable year with quarter multipliers ranging from \$8,750 to \$15,000 based on annual pounds of qualifying milk produced ranging from 500,000 pounds to over 7.5 million pounds.

Requires the taxpayer to elect for the credit to be applied against franchise tax or income tax. Specifies that the tax is refundable. Requires necessary record keeping for substantiation and places the burden of credit eligibility upon the taxpayer. Adds that the Department of Revenue must include the following information in the economic incentives report required by GS 105-256, itemized by credit and by taxpayer: the number of taxpayers that took the credits allowed under new Article 3M; the volume of milk produced with respect to which the credits were taken; and the total cost to the General Fund of the credits taken. Repeals the entire Article on January 1, 2025, effective for milk produced on or after that date.

Directs the Revenue Laws Study Committee to biennially review the milk producer tax credit to determine if the economic benefit provided outweighs the cost of the tax expenditure.

Effective for taxable years beginning on or after January 1, 2020.

Amends GS 106-814 to require the Board of Agriculture (Board) to quarterly promulgate the announced production price for milk in the State. Requires the Board to consider the average price of milk in the top five states where milk is imported to NC, the average transportation cost of importing milk, and the cost of production in NC.

Intro. by Sawyer.

[STUDY, GS 105, GS 106](#)

[View summary](#)

[Agriculture, Business and Commerce, Government, General Assembly, Tax](#)

ACTIONS ON BILLS

PUBLIC BILLS

S 710: STRENGTHENING DWI LAWS.

Senate: Passed 1st Reading

Senate: Ref To Com On Rules and Operations of the Senate

S 711: ELIGIBILITY CHANGES FOR OPP SCHOLARSHIPS.

Senate: Passed 1st Reading

Senate: Ref To Com On Rules and Operations of the Senate

S 712: NC FREEDOM TO WORK ACT.

Senate: Passed 1st Reading

Senate: Ref To Com On Rules and Operations of the Senate

S 713: CREDIT FOR CERTAIN MILK PRODUCERS.

Senate: Filed

No local actions on bills

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