

| G.S. 150B-21.3A Report for 17 NCAC 05, CORPORATE FRANCHISE, INCOME, AND INSURANCE TAXES | | | | | | | | | | | | |
|---|--|-------------------|--|---|--|---|-----------------------------|--|--|--|--|---------------------------------|
| Agency - Department of Revenue | | | | | | | | | | | | |
| Comment Period -March 20, 2025 - May 24, 2025 | | | | | | | | | | | | |
| Date Submitted to APO - Filled in by RRC staff | | | | | | | | | | | | |
| Subchapter | Rule Section | Rule Citation | Rule Name | Date and Last Agency Action on the Rule | Agency Determination [150B-21.3A(c)(1)a] | Required to Implement or Conform to Federal Regulation [150B-21.3A(d1)] | Federal Regulation Citation | Public Comment Received [150B-21.3A(c)(1)] | Agency Determination Following Public Comment [150B-21.3A(c)(1)] | RRC Determination of Public Comments [150B-21.3A(c)(2) | RRC Final Determination of Status of Rule for Report to APO [150B-21.3A(c)(2)] | OAH Next Steps |
| SUBCHAPTER 5B - FRANCHISE TAX | SECTION .0100 - GENERAL INFORMATION | 17 NCAC 05B .0104 | INACTIVE CORPORATIONS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05B .0105 | DISSOLUTION OR WITHDRAWAL OF CORPORATE RIGHTS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05B .0107 | EXTENSION OF FILING DATE | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .1100 - CAPITAL STOCK: SURPLUS AND UNDIVIDED PROFITS BASE | 17 NCAC 05B .1104 | EXCLUSION OF RETAINED EARNINGS BY PARENT CORPORATION | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05B .1105 | INVESTMENT IN SUBSIDIARY | Readopted Eff. May 1, 2018 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05B .1108 | EXCLUSION PROVISION LIMITED TO INDEBTEDNESS OWED | Readopted Eff. May 1, 2018 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05B .1109 | EQUITY CAPITAL NOT DEDUCTIBLE | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05B .1110 | RECIPROCAL INDEBTEDNESS BETWEEN AFFILIATES | Readopted Eff. May 1, 2018 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .1300 - INVESTMENT IN TANGIBLE PROPERTIES IN NORTH CAROLINA BASE | 17 NCAC 05B .1302 | WHAT IS INCLUDABLE IN THE INVESTMENT BASE | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Unnecessary | No | | No | Unnecessary | No comments with merit | Unnecessary and should expire on the first day of the month following the consultation | Rule expired - remove from Code |
| | | 17 NCAC 05B .1303 | TREATMENT OF CONSTRUCTION IN PROGRESS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Unnecessary | No | | No | Unnecessary | No comments with merit | Unnecessary and should expire on the first day of the month following the consultation | Rule expired - remove from Code |
| | | 17 NCAC 05B .1309 | DETERMINATION OF INCLUSION BY DEPRECIATION | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Unnecessary | No | | No | Unnecessary | No comments with merit | Unnecessary and should expire on the first day of the month following the consultation | Rule expired - remove from Code |
| | SECTION .1400 - APPRAISED VALUATION OF TANGIBLE AND INTANGIBLE PROPERTY BASE | 17 NCAC 05B .1406 | INVESTMENT BASE PROPERTY INCLUDED | Readopted Eff. May 1, 2018 | Unnecessary | No | | No | Unnecessary | No comments with merit | Unnecessary and should expire on the first day of the month following the consultation | Rule expired - remove from Code |
| | SECTION .1500 - CHANGE OF INCOME YEAR | 17 NCAC 05B .1501 | COMPUTATION OF TAX | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05B .1502 | COMPUTATION OF TAX WHEN MERGER IS INVOLVED | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| SUBCHAPTER 05C - CORPORATE INCOME TAX | SECTION .0100 - CORPORATIONS SUBJECT TO THE TAX: TAX RATE AND ALLOCATION | 17 NCAC 05C .0101 | DOMESTIC AND FOREIGN CORPORATIONS REQUIRED TO FILE | Readopted Eff. May 1, 2018 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .0102 | DOING BUSINESS DEFINED | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .0103 | CORPORATIONS OPERATING IN INTERSTATE COMMERCE | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .0300 - COMPUTATION OF NET INCOME | 17 NCAC 05C .0304 | ATTRIBUTION OF EXPENSES TO NONTAXABLE INCOME | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |

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| Subchapter | Rule Section | Rule Citation | Rule Name | Date and Last Agency Action on the Rule | Agency Determination [150B-21.3A(c)(1)a] | Required to Implement or Conform to Federal Regulation [150B-21.3A(d1)] | Federal Regulation Citation | Public Comment Received [150B-21.3A(c)(1)] | Agency Determination Following Public Comment [150B-21.3A(c)(1)] | RRC Determination of Public Comments [150B-21.3A(c)(2)] | RRC Final Determination of Status of Rule for Report to APO [150B-21.3A(c)(2)] | OAH Next Steps |
| | SECTION .0400 - INTEREST INCOME ON GOVERNMENT OBLIGATIONS | 17 NCAC 05C .0401 | NORTH CAROLINA OBLIGATIONS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .0402 | OBLIGATIONS OF OTHER STATES | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .0403 | U.S. OBLIGATIONS | Readopted Eff. May 1, 2018 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .0404 | SALES OR EXCHANGES | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .0405 | OBLIGATIONS OF FEDERAL NATIONAL MORTGAGE ASSOCIATION | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .0406 | MORTGAGE BACKED CERTIFICATE GUARANTEED BY GNMA | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .0407 | REPURCHASE AGREEMENTS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .0600 - TAXABLE IN ANOTHER STATE | 17 NCAC 05C .0601 | PRELIMINARY STATEMENT | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .0602 | DEFINITION OF TAXPAYER | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .0604 | WHEN A TAXPAYER IS SUBJECT TO TAX | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .0605 | WHEN A STATE HAS JURISDICTION | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .0700 - APPORTIONABLE AND NONAPPORTIONABLE INCOME | 17 NCAC 05C .0701 | DIVISION OF INCOME: IN GENERAL | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .0704 | PRORATION OF DEDUCTIONS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .0800 - PROPERTY FACTOR | 17 NCAC 05C .0801 | IN GENERAL | Readopted Eff. May 1, 2018 | Unnecessary | No | | No | Unnecessary | No comments with merit | Unnecessary and should expire on the first day of the month following the consultation | Rule expired - remove from Code |
| | | 17 NCAC 05C .0802 | PROPERTY USED FOR THE PRODUCTION OF APPORTIONABLE INCOME | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Unnecessary | No | | No | Unnecessary | No comments with merit | Unnecessary and should expire on the first day of the month following the consultation | Rule expired - remove from Code |
| | | 17 NCAC 05C .0803 | CONSISTENCY IN REPORTING | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Unnecessary | No | | No | Unnecessary | No comments with merit | Unnecessary and should expire on the first day of the month following the consultation | Rule expired - remove from Code |
| | | 17 NCAC 05C .0804 | NUMERATOR | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Unnecessary | No | | No | Unnecessary | No comments with merit | Unnecessary and should expire on the first day of the month following the consultation | Rule expired - remove from Code |
| | | 17 NCAC 05C .0805 | VALUATION OF OWNED PROPERTY | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Unnecessary | No | | No | Unnecessary | No comments with merit | Unnecessary and should expire on the first day of the month following the consultation | Rule expired - remove from Code |
| | SECTION .0900 - PAYROLL FACTOR | 17 NCAC 05C .0902 | PAYROLL ACCOUNTING METHOD | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Unnecessary | No | | No | Unnecessary | No comments with merit | Unnecessary and should expire on the first day of the month following the consultation | Rule expired - remove from Code |

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| Subchapter | Rule Section | Rule Citation | Rule Name | Date and Last Agency Action on the Rule | Agency Determination [150B-21.3A(c)(1)a] | Required to Implement or Conform to Federal Regulation [150B-21.3A(d1)] | Federal Regulation Citation | Public Comment Received [150B-21.3A(c)(1)] | Agency Determination Following Public Comment [150B-21.3A(c)(1)] | RRC Determination of Public Comments [150B-21.3A(c)(2)] | RRC Final Determination of Status of Rule for Report to APO [150B-21.3A(c)(2)] | OAH Next Steps |
| | | 17 NCAC 05C .0903 | COMPENSATION | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Unnecessary | No | | No | Unnecessary | No comments with merit | Unnecessary and should expire on the first day of the month following the consultation | Rule expired - remove from Code |
| | | 17 NCAC 05C .0906 | DENOMINATOR OF PAYROLL FACTOR | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Unnecessary | No | | No | Unnecessary | No comments with merit | Unnecessary and should expire on the first day of the month following the consultation | Rule expired - remove from Code |
| | | 17 NCAC 05C .0907 | NUMERATOR OF PAYROLL FACTOR | Readopted Eff. May 1, 2018 | Unnecessary | No | | No | Unnecessary | No comments with merit | Unnecessary and should expire on the first day of the month following the consultation | Rule expired - remove from Code |
| | | 17 NCAC 05C .0908 | CORPORATIONS UTILIZING COMMON PAYMASTER | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Unnecessary | No | | No | Unnecessary | No comments with merit | Unnecessary and should expire on the first day of the month following the consultation | Rule expired - remove from Code |
| | SECTION .1000 - SALES FACTOR | 17 NCAC 05C .1001 | SALES MADE IN GENERAL BUSINESS OPERATIONS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .1002 | SALES INCIDENTAL TO GENERAL BUSINESS OPERATIONS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .1003 | SALES MADE IN OTHER TYPE OF BUSINESS ACTIVITY | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .1004 | NUMERATOR | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .1005 | WHAT SALES OF TANGIBLE PERSONAL PROPERTY ARE IN THIS STATE | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .1006 | SALES FACTOR: SALES TO UNITED STATES GOVERNMENT | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .1400 - AMORTIZATION OF BOND PREMIUMS | 17 NCAC 05C .1401 | PRELIMINARY STATEMENT | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .1402 | TAX-EXEMPT BONDS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .1403 | TAXABLE BONDS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .1404 | DEFINITION OF BOND | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .1500 - NET ECONOMIC LOSS CARRY-OVER | 17 NCAC 05C .1506 | CORPORATIONS APPORTIONING THEIR NET INCOME | Readopted Eff. May 1, 2018 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .1700 - PARTNERSHIPS AND THE CORPORATE PARTNER | 17 NCAC 05C .1701 | REPORTING PARTNERSHIP NET INCOME | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .1702 | APPORIONABLE INCOME OR NONAPPORIONABLE INCOME | Readopted Eff. May 1, 2018 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .1900 - FILING OF RETURNS AND PAYMENT OF TAXES | 17 NCAC 05C .1904 | OVERPAYMENTS APPLIED TO NEXT YEAR | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .1905 | ELECTRONIC FILING OF CORPORATION INCOME TAX RETURNS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |

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| Subchapter | Rule Section | Rule Citation | Rule Name | Date and Last Agency Action on the Rule | Agency Determination [150B-21.3A(c)(1)a] | Required to Implement or Conform to Federal Regulation [150B-21.3A(d1)] | Federal Regulation Citation | Public Comment Received [150B-21.3A(c)(1)] | Agency Determination Following Public Comment [150B-21.3A(c)(1)] | RRC Determination of Public Comments [150B-21.3A(c)(2)] | RRC Final Determination of Status of Rule for Report to APO [150B-21.3A(c)(2)] | OAH Next Steps |
| | SECTION .2000 - EXTENSION OF TIME FOR FILING RETURN | 17 NCAC 05C .2004 | EXTENSION OF FILING DATE | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .2100 - DISSOLUTIONS AND WITHDRAWALS | 17 NCAC 05C .2101 | REQUIREMENTS WHEN CORPORATION ENDS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .2400 - DOMESTIC INTERNATIONAL SALES CORPORATION | 17 NCAC 05C .2401 | DOING BUSINESS ACTIVITIES OF DISC | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .2403 | APPORTIONMENT OF DISC NET INCOME | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05C .2404 | DIVIDENDS RECEIVED FROM DISC | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| SUBCHAPTER 05D - ALTERNATIVE APPORTIONMENT METHOD | | 17 NCAC 05D .0107 | PURPOSE | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05D .0108 | WHO MAY SUBMIT REQUEST | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05D .0109 | REQUEST FOR ALTERNATIVE APPORTIONMENT FORMULA | Amended Eff. May 1, 2018 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05D .0110 | TIME FOR FILING | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05D .0111 | NOTICE OF CONFERENCE | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05D .0112 | WHO SHALL ATTEND THE CONFERENCE | Readopted Eff. May 1, 2018 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05D .0113 | CONDUCT OF THE CONFERENCE | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05D .0114 | REMEDY | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05D .0115 | FINAL DECISION | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| SUBCHAPTER 5E - INSURANCE PREMIUMS TAX AND REGULATORY SURCHARGE | SECTION .0100 - GENERAL PROVISIONS | 17 NCAC 05E .0101 | REDUCED INSTALLMENT PAYMENTS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05E .0103 | PREMIUM FINANCE CHARGES AND OTHER CHARGES | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05E .0104 | DIVIDENDS APPLIED TO PURCHASE ADDITIONAL PAID-UP LIFE | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05E .0106 | EMPLOYEE BENEFIT PLAN CONTRIBUTIONS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |

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| Comment Period -March 20, 2025 - May 24, 2025 | | | | | | | | | | | | |
| Date Submitted to APO - Filled in by RRC staff | | | | | | | | | | | | |
| Subchapter | Rule Section | Rule Citation | Rule Name | Date and Last Agency Action on the Rule | Agency Determination [150B-21.3A(c)(1)a] | Required to Implement or Conform to Federal Regulation [150B-21.3A(d1)] | Federal Regulation Citation | Public Comment Received [150B-21.3A(c)(1)] | Agency Determination Following Public Comment [150B-21.3A(c)(1)] | RRC Determination of Public Comments [150B-21.3A(c)(2)] | RRC Final Determination of Status of Rule for Report to APO [150B-21.3A(c)(2)] | OAH Next Steps |
| SUBCHAPTER 05F – SECRETARY'S AUTHORITY TO ADJUST NET INCOME OR TO REQUIRE A COMBINED RETURN | SECTION .0100 – GENERAL | 17 NCAC 05F .0101 | SCOPE | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05F .0102 | DEFINITIONS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .0200 – ECONOMIC SUBSTANCE | 17 NCAC 05F .0201 | ECONOMIC SUBSTANCE TEST BURDEN OF PROOF | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05F .0202 | REASONABLE BUSINESS PURPOSES | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05F .0203 | ECONOMIC EFFECTS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05F .0204 | ECONOMIC SUBSTANCE DOCTRINE | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05F .0205 | ECONOMIC SUBSTANCE FACTORS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05F .0206 | WHEN STATE INCOME TAX BENEFITS ARE CONSIDERED | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05F .0207 | CENTRALIZED CASH MANAGEMENT | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .0300 – FAIR MARKET VALUE | 17 NCAC 05F .0301 | DETERMINATION OF FAIR MARKET VALUE | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .0400 - ADJUSTMENTS | 17 NCAC 05F .0401 | ADJUSTMENTS TO STATE NET INCOME | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .0500 – COMBINED RETURNS | 17 NCAC 05F .0501 | METHODOLOGY WHEN COMBINED RETURN REQUIRED OR PERMITTED | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05F .0502 | PROCEDURES FOR FILING A COMBINED INCOME TAX RETURN | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05F .0503 | COMBINED RETURN TAX CREDITS | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .0600 – FRANCHISE TAX RETURN | 17 NCAC 05F .0601 | PROCEDURES FOR FILING A FRANCHISE TAX RETURN | Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19, 2017 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| SUBCHAPTER 05G – MARKET-BASED SOURCING FOR APPORTIONMENT OF INCOME | SECTION .0100 – GENERAL RULES | 17 NCAC 05G .0101 | SCOPE | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .0102 | DEFINITIONS | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .0200 – GENERAL PRINCIPLES OF APPLICATION | 17 NCAC 05G .0201 | ASSIGNMENT OF RECEIPTS FROM SALES OF OTHER THAN TANGIBLE PERSONAL PROPERTY | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |

| G.S. 150B-21.3A Report for 17 NCAC 05, CORPORATE FRANCHISE, INCOME, AND INSURANCE TAXES | | | | | | | | | | | | |
|---|--|-------------------|---|---|--|---|-----------------------------|--|--|---|--|---------------------|
| Agency - Department of Revenue | | | | | | | | | | | | |
| Comment Period -March 20, 2025 - May 24, 2025 | | | | | | | | | | | | |
| Date Submitted to APO - Filled in by RRC staff | | | | | | | | | | | | |
| Subchapter | Rule Section | Rule Citation | Rule Name | Date and Last Agency Action on the Rule | Agency Determination [150B-21.3A(c)(1)a] | Required to Implement or Conform to Federal Regulation [150B-21.3A(d1)] | Federal Regulation Citation | Public Comment Received [150B-21.3A(c)(1)] | Agency Determination Following Public Comment [150B-21.3A(c)(1)] | RRC Determination of Public Comments [150B-21.3A(c)(2)] | RRC Final Determination of Status of Rule for Report to APO [150B-21.3A(c)(2)] | OAH Next Steps |
| | SECTION .0300 -- RULES OF REASONABLE APPROXIMATION | 17 NCAC 05G .0301 | IN GENERAL | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .0302 | APPROXIMATION BASED UPON KNOWN SALES | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .0303 | RELATED ENTITY TRANSACTIONS | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .0400 -- EXCLUSION OF RECEIPTS FROM THE SALES FACTOR | 17 NCAC 05G .0401 | ALLOCATED GROSS RECEIPTS | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .0402 | UNASSIGNABLE GROSS RECEIPTS | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .0500 - CHANGES IN METHODOLOGY | 17 NCAC 05G .0501 | ALTERNATIVE APPORTIONMENT | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .0502 | ORIGINAL RETURNS | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .0503 | SECRETARY'S AUTHORITY TO ADJUST A TAXPAYER'S RETURN | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .0504 | TAXPAYER AUTHORITY TO CHANGE A METHOD OF ASSIGNMENT ON A PROSPECTIVE BASIS. | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .0505 | SECRETARY AUTHORITY TO CHANGE A METHOD OF ASSIGNMENT ON A PROSPECTIVE BASIS. | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .0600 - FURTHER GUIDANCE | 17 NCAC 05G .0601 | EXAMPLES | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .0700 -- SALE OF A SERVICE | 17 NCAC 05G .0701 | IN GENERAL | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .0800 -- SALE OF IN-PERSON SERVICES | 17 NCAC 05G .0801 | IN GENERAL | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .0802 | ASSIGNMENT OF RECEIPTS FROM SALE OF IN-PERSON SERVICES | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .0803 | REASONABLE APPROXIMATION | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .0900 - SERVICES DELIVERED TO A CUSTOMER OR ON BEHALF OF THE CUSTOMER, OR DELIVERED ELECTRONICALLY THROUGH THE | 17 NCAC 05G .0901 | IN GENERAL | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .0902 | ASSIGNMENT OF RECEIPTS FROM SALES OF SERVICES DELIVERED TO THE CUSTOMER OR ON BEHALF OF THE CUSTOMER, OR DELIVERED ELECTRONICALLY THROUGH THE CUSTOMER. | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .0903 | DELIVERY TO OR ON BEHALF OF A CUSTOMER BY PHYSICAL MEANS, WHETHER TO AN INDIVIDUAL OR BUSINESS CUSTOMER. | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .0904 | DELIVERY TO CUSTOMER BY ELECTRONIC TRANSMISSION | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |

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| Subchapter | Rule Section | Rule Citation | Rule Name | Date and Last Agency Action on the Rule | Agency Determination [150B-21.3A(c)(1)a] | Required to Implement or Conform to Federal Regulation [150B-21.3A(d1)] | Federal Regulation Citation | Public Comment Received [150B-21.3A(c)(1)] | Agency Determination Following Public Comment [150B-21.3A(c)(1)] | RRC Determination of Public Comments [150B-21.3A(c)(2)] | RRC Final Determination of Status of Rule for Report to APO [150B-21.3A(c)(2)] | OAH Next Steps |
| | | 17 NCAC 05G .0905 | SERVICES DELIVERED ELECTRONICALLY THROUGH OR ON BEHALF OF AN INDIVIDUAL OR BUSINESS CUSTOMER | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .1000 - PROFESSIONAL SERVICES | 17 NCAC 05G .1001 | IN GENERAL | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .1002 | OVERLAP WITH OTHER CATEGORIES OF SERVICES | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .1003 | ASSIGNMENT OF RECEIPTS | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .1004 | PROFESSIONAL SERVICES OTHER THAN ARCHITECTURAL OR ENGINEERING SERVICES | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .1005 | ARCHITECTURAL OR ENGINEERING SERVICES WITH RESPECT TO REAL OR TANGIBLE PERSONAL PROPERTY | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .1006 | RELATED ENTITY TRANSACTIONS | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .1100 -- LICENSE OR LEASE OF INTANGIBLE PROPERTY | 17 NCAC 05G .1101 | IN GENERAL | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .1102 | LICENSE OF A MARKETING INTANGIBLE | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .1103 | LICENSE OF A PRODUCTION INTANGIBLE | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .1104 | LICENSE OF A MIXED INTANGIBLE | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .1105 | LICENSE OF INTANGIBLE PROPERTY WHEN SUBSTANCE OF THE TRANSACTION RESEMBLES A SALE OF GOODS OR SERVICES | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .1200 -- SALE OF INTANGIBLE PROPERTY | 17 NCAC 05G .1201 | ASSIGNMENT OF RECEIPTS | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | SECTION .1300 -- SPECIAL RULES | 17 NCAC 05G .1301 | SOFTWARE TRANSACTIONS | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .1302 | SALES OR LICENSES OF DIGITAL GOODS AND SERVICES | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |
| | | 17 NCAC 05G .1303 | TELECOMMUNICATIONS COMPANIES | Eff. January 1, 2020 | Necessary | No | | No | Necessary | No comments with merit | Necessary and must be readopted | Agency must readopt |