

17 NCAC 06B .3206 FRAUD PENALTY

When an audit is based upon a federal audit report and the fraud penalty has been assessed for federal purposes, the 50 percent fraud penalty shall be assessed for State purposes. When the fraud penalty is assessed, no penalty for negligence shall be assessed with respect to the same deficiency; however, the penalty for failure to file and interest on the underpayment of estimated income tax shall be assessed if applicable with respect to the same deficiency.

*History Note: Authority G.S. 105-159; 105-163.15; 105-236; 105-262;
Eff. April 1, 1978;
Amended Eff. May 1, 2006; July 1, 1999; June 1, 1993;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 26, 2015.*