

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 826

Short Title: Phase Down Corporate Income Tax.

(Public)

Sponsors: Senators Carrington, McDaniel, East, Davis, Hoyle, Webster, Ballantine, Forrester, Foxx, Carpenter, Warren, Martin of Pitt, Shaw, Perdue, Sherron, Clark, Blackmon, McKoy, and Page.

Referred to: Finance

April 25, 1995

A BILL TO BE ENTITLED
AN ACT TO PHASE DOWN THE CORPORATE INCOME TAX.
The General Assembly of North Carolina enacts:

Section 1. G.S. 105-130.3 reads as rewritten:

"§ 105-130.3. Corporations.

A tax is imposed on the State net income of every C Corporation doing business in this State at seven and seventy five one hundredths percent (7.75%) of the corporation's State net income. State. An S Corporation is not subject to the tax levied in this section. The tax is a percentage of the taxpayer's State net income computed as follows:

Income Years Beginning	Tax
<u>In 1996</u>	<u>5.75%</u>
<u>In 1997</u>	<u>3.75%</u>
<u>Thereafter</u>	<u>1.75%".</u>

Sec. 2. This act is effective for taxable years beginning on or after January 1, 1996.