

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003

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HOUSE DRH70288-LU-37 (3/11)

Short Title: Clarify Def. of Divisible Property/Equ. Dist.

(Public)

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Sponsors: Representative Hackney.

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO FURTHER CLARIFY THE DEFINITION OF DIVISIBLE PROPERTY  
UNDER THE LAWS RELATING TO EQUITABLE DISTRIBUTION.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 50-20(b)(4) reads as rewritten:

"...

(4) "Divisible property" means all real and personal property as set forth  
below:

- a. All appreciation and diminution in value of marital property and divisible property of the parties occurring after the date of separation and prior to the date of distribution, except that appreciation or diminution in value which is the result of postseparation actions or activities of ~~a one~~ spouse alone shall not be treated as divisible property. Increases in net value caused by postseparation payment of marital debt shall be treated as divisible property and credited to the spouse making the payment, regardless of whether the debt is paid by one spouse alone.
- b. All property, property rights, or any portion thereof received after the date of separation but before the date of distribution that was acquired as a result of the efforts of either spouse during the marriage and before the date of separation, including, but not limited to, commissions, bonuses, and contractual rights.
- c. Passive income from marital property received after the date of separation, including, but not limited to, interest and dividends.

1                   d.     Increases and decreases in marital debt and financing charges  
2                             and interest related to marital debt."

3                   **SECTION 2.** This act becomes effective October 1, 2003.