GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2013

S SENATE BILL 669

| Short Title: | Reduce the Individual Income T | ax Rate. | (Public) | | |
|---|--|--|---|--|--|
| Sponsors: | Senators Rucho, Rabon, Berger (Primary Sponsors); Apodaca, Barefoot, Brock Cook, Daniel, Goolsby, Hise, Hunt, Newton, Pate, Rabin, and Soucek. | | | | |
| Referred to: | Finance. | | | | |
| April 4, 2013 | | | | | |
| | A DILI T∩ I | BE ENTITLED | | | |
| AN ACT TO | | | OME TAX RATE | | |
| AN ACT TO PHASE-IN A REDUCTION OF THE INDIVIDUAL INCOME TAX RATE AND TO DIRECT THE REVENUE LAWS STUDY COMMITTEE TO STUDY AN | | | | | |
| | ATION OF THE INDIVIDUAL IN | | 2 10 21021 111 | | |
| | Assembly of North Carolina enact | | | | |
| | ECTION 1. Effective for taxable | | er January 1, 2014, | | |
| | .2(a) reads as rewritten: | • | • | | |
| "(a) A tax is imposed upon the North Carolina taxable income of every individual. The | | | | | |
| tax shall be levied, collected, and paid annually and shall be computed at the following | | | | | |
| percentages of the taxpayer's North Carolina taxable income. | | | | | |
| (1) | | • | .S. 105-152 and for | | |
| surviving spouses, as defined in section 2(a) of the Code: | | | | | |
| | Over | Up To | Rate | | |
| | -0- | \$21,250\\$10,000 | 6% 0% | | |
| | \$21,250 <u>\$10,000</u> | \$100,000 <u>NA</u> | 7% 5.25% | | |
| (2) | \$100,000 | NA 1. C. 1 | 7.75% | | |
| (2) | | | | | |
| | Over | Up To | Rate | | |
| | -0- \$17,000 \$8,000 | \$17,000 <u>\$8,000</u> | 6% <u>0%</u> | | |
| | \$17,000 <u>\$8,000</u> \$80,000 | \$80,000<u>NA</u> NA | 7% 5.25% 7.75% | | |
| (3 | . , | | | | |
| (5) | households: | other than surviving spot | ises and neads of | | |
| | Over | Up To | Rate | | |
| | -0- | \$12,750\\$5,000 | 6% 0% | | |
| | \$12,750 \$5,000 | \$60,000 <u>NA</u> | 7% 5.25% | | |
| | \$60,000 | NA | 7.75% | | |
| (4 | • | | | | |
| | Over | Up To | Rate | | |
| | -0- | \$10,625 \$5,000 | 6% 0% | | |
| | \$10,625 <u>\$5,000</u> | \$50,000 <u>NA</u> | 7% 5.25% | | |
| | \$50,000 | NA NA | 7.75% " | | |
| SI | ECTION 2. Effective for taxable | e years beginning on or after | er January 1, 2015, | | |
| G.S. 105-134.2(a), as amended by Section 1 of this act, reads as rewritten: | | | | | |



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law.

| 1 | "(a) A tax is imposed upon the North | Carolina taxable income of every | y individual. The | |
|----|---|-------------------------------------|-------------------------|--|
| 2 | tax shall be levied, collected, and paid and | nually and shall be computed | at the following | |
| 3 | percentages of the taxpayer's North Carolina t | axable income. | | |
| 4 | (1) For married individuals w | ho file a joint return under G.S. | 105-152 and for | |
| 5 | surviving spouses, as define | ed in section 2(a) of the Code: | | |
| 6 | Over | Up To | Rate | |
| 7 | 0 | \$10,000\\$12,500 | 0% | |
| 8 | \$10,000 \$12,500 | N/A | 5.25% 4.75% | |
| 9 | (2) For heads of households, as | s defined in section 2(b) of the Co | ode: | |
| 10 | Over | Up To | Rate | |
| 11 | 0 | \$8,000\\$10,000 | 0% | |
| 12 | \$8,000 \$10,000 | N/A | 5.25% 4.75% | |
| 13 | (3) For unmarried individual | s other than surviving spouses | s and heads of | |
| 14 | households: | 0 1 | | |
| 15 | Over | Up To | Rate | |
| 16 | 0 | \$5,000 <u>\$6,250</u> | 0% | |
| 17 | \$5,000 \$6,250 | N/A | 5.25% 4.75% | |
| 18 | | o do not file a joint return under | G.S. 105-152: | |
| 19 | Over | Up To | Rate | |
| 20 | 0 | \$5,000\$6,250 | 0% | |
| 21 | \$5,000 \$6,250 | N/A | 5.25% 4.75%" | |
| 22 | SECTION 3. Effective for taxal | ble years beginning on or after. | | |
| 23 | G.S. 105-134.2(a), as amended by Section 2 o | | • • | |
| 24 | "(a) A tax is imposed upon the North | | y individual. The | |
| 25 | tax shall be levied, collected, and paid and | • | | |
| 26 | percentages of the taxpayer's North Carolina t | • | C | |
| 27 | - · · · · · · · · · · · · · · · · · · · | ho file a joint return under G.S. | 105-152 and for | |
| 28 | | ed in section 2(a) of the Code: | | |
| 29 | Over | Up To | Rate | |
| 30 | 0 | \$12,500 | 0% | |
| 31 | \$12,500 | N/A | 4.75% 4% | |
| 32 | (2) For heads of households, as | s defined in section 2(b) of the Co | ode: | |
| 33 | Over | Up To | Rate | |
| 34 | 0 | \$10,000 | 0% | |
| 35 | \$10,000 | N/A | 4.75% 4% | |
| 36 | (3) For unmarried individual | s other than surviving spouses | s and heads of | |
| 37 | households: | 0 1 | | |
| 38 | Over | Up To | Rate | |
| 39 | 0 | \$6,250 | 0% | |
| 40 | \$6,250 | N/A | 4.75% 4% | |
| 41 | (4) For married individuals wh | o do not file a joint return under | G.S. 105-152: | |
| 42 | Over | Up To | Rate | |
| 43 | 0 | \$6,250 | 0% | |
| 44 | \$6,250 | N/A | 4.75% 4%" | |
| 45 | SECTION 4. The Revenue Laws | | | |
| 46 | the individual income tax as a General Fu | · · | | |
| 47 | recommendations to the North Carolina General Assembly. | | | |
| 48 | SECTION 5. Except as otherwis | • | when it becomes | |
| | 1 | * | | |

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