

April 23, 1999

**H 1325. REDUCE PENSION TAX. TO PROVIDE EQUAL INCOME TAX TREATMENT OF GOVERNMENT RETIREES' PENSIONS AND TO EXEMPT MORE PRIVATE PENSIONS FROM INCOME TAX.** Amends GS 105-134.6(b)(6) to increase the amount of income to be deducted from private pensions from \$2,000 to \$3,000 before the NC individual income tax is calculated. Adds new GS 105-134.6(b)(6a) to provide that all income received under NC state and local government retirement plans and federal pensions is deductible. Adds new GS 105-134.6(b)(6b) to provide that income received under a retirement plan from another state or local government to the extent that state would not subject to an individual income tax an equivalent amount from a NC state or local government retirement plan or up to \$4,000 received from another state's state or local government retirement plan, whichever is the larger amount, is deductible. Effective for tax years beginning on or after Jan. 1, 2001.

**Intro. by Davis and Hurley.**

Ref. to Finance

GS 105