

May 11, 2005

H 1634. STIMULATE ECONOMY MANUFACTURING. *TO STIMULATE THE ECONOMY BY EXEMPTING FROM INCOME TAX INCOME DERIVED FROM MANUFACTURING AND BY EXEMPTING MANUFACTURING CORPORATIONS FROM THE FRANCHISE TAX.* Amends GS 105-228.90(b), GS 105-130.5(b), and GS 105-134.6(b) to exempt from the state corporate income tax income derived from manufacturing, defined as an industry in manufacturing sectors 31 through 33, as defined by NAICS, but excluding quick printing and retail bakeries. Makes conforming and technical changes to GS 105-129.2(16) (definitions) and to GS 105-130.4(i) (allocation and apportionment of multistate corporate income). Enacts new GS 105-125(a)(10) to exempt from the corporate franchise tax a corporation that derives at least eighty percent of its annual revenue directly from manufacturing. Effective for taxable years beginning on or after January 1, 2005.

Intro. by Blackwood.

Ref. to Finance

GS 105