

March 3, 2005

S 344. AMEND PUBLIC LAWS-2. AMENDING THE PUBLIC LAWS OF NORTH CAROLINA.

Blank bill.

Intro. by Hoyle.

Ref. to Rules

UNCODIFIED

August 10, 2005

S 344. 2005 ECONOMIC GROWTH AND TAX RELIEF ACT (NEW). Intro. 3/3/05. House committee substitute makes the following changes to 1st edition. Replaces blank bill with *AN ACT TO FOSTER ECONOMIC GROWTH IN NORTH CAROLINA BY LOWERING THE INDIVIDUAL AND CORPORATE INCOME TAX RATES AND PROVIDING FOR OTHER TAX RELIEF.*

Repeals Article 1A (estate tax) and Article 6 (gift tax) of GS Chapter 105 effective July 1, 2007. Reduces the corporate tax rate in GS 105-130.3 to 6.75% for the 2006 tax year and to 6.5% thereafter. Reduces the top individual income tax bracket in GS 105-134.2(a) from 8.25% to 8% for the 2006 tax year and to 7.75% thereafter. Amends GS 105-134.4 and 105-134.6 to set the individual income tax personal exemption amount based on the taxpayer's adjusted gross income (AGI) beginning in the 2006 tax year. The largest personal exemption is \$2,900 for joint filers with AGI up to \$30,000 and single filers with AGI up to \$18,000. The smallest personal exemption is \$500 for joint filers with AGI over \$350,000 and single filers with AGI over \$210,000. If S 622 (the budget) becomes law, amends GS 105-113.5 to provide that the cigarette tax rate in effect beginning July 1, 2006, would be 40 cents a pack rather than 35 cents a pack. Removes the sunset on the additional half-cent State sales tax. Amends GS 95-25.3 to increase the minimum wage to \$6 an hour effective January 1, 2006. Makes technical and conforming changes.

August 11, 2005

S 344. 2005 ECONOMIC GROWTH AND TAX RELIEF ACT. Intro. 3/3/05. Senate amendment makes the following changes to 2nd edition. Delays by two years the effective dates of the corporate and individual income tax changes, which would have become effective beginning in 2006 and 2007.