

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011

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HOUSE BILL 886  
PROPOSED COMMITTEE SUBSTITUTE H886-PCS50400-SV-38

Short Title: Increase Charitable Contribution Deduction.

(Public)

Sponsors:

Referred to:

May 4, 2011

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE LIMITS ON CORPORATE INCOME TAX DEDUCTIONS  
FOR CHARITABLE CONTRIBUTIONS IN CONFORMANCE WITH THE INTERNAL  
REVENUE CODE.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-130.9 reads as rewritten:

"§ 105-130.9. **Contributions.**

Contributions shall be allowed as a deduction to the extent and in the manner provided as follows:

(1) Charitable contributions as defined in section 170(c) of the Code, exclusive of contributions allowed in subdivision (2) of this section, shall be allowed as a deduction to the extent provided herein. The amount allowed as a deduction hereunder shall be limited to an amount not in excess of ~~five-ten~~ percent ~~(5%)(10%)~~ of the corporation's net income as computed without the benefit of this subdivision or subdivision (2) of this section. Any unused portion of a deduction under this subdivision may be carried forward for the next succeeding five years. Provided, that a carryover of contributions shall not be allowed and that contributions Contributions made to North Carolina donees by corporations allocating a part of their total net income outside this State shall not be allowed under this subdivision, but shall be allowed under subdivision (3) of this section.

...

(3) Corporations allocating a part of their total net income outside North Carolina under the provisions of G.S. 105-130.4 shall deduct from total income allocable to North Carolina contributions made to North Carolina donees qualified under subdivisions (1) and (2) of this section or made through North Carolina offices or branches of other donees qualified under the above-mentioned subdivisions of this section; provided, such deduction for contributions made to North Carolina donees qualified under subdivision (1) of this section shall be limited in amount to ~~five-ten~~ percent ~~(5%)(10%)~~ of the total income allocated to North Carolina as computed without the benefit of this deduction for contributions.

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1           **SECTION 2.** This act is effective for taxable years beginning on or after January 1,  
2 2014.