

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

H.B. 1210
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HOUSE PRINCIPAL CLERK

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HOUSE DRH20164-MC~~x~~-257 (05/15)

Short Title: Rescind Income Tax Cut For Millionaires. (Public)

Sponsors: Representatives Luebke, Earle, Insko, and Lucas (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO RESCIND THE INCOME TAX RATE REDUCTION FOR MILLIONAIRES
3 AND OTHER HIGH-INCOME TAXPAYERS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-153.7 reads as rewritten:

6 "**§ 105-153.7. Individual income tax imposed.**

7 (a) Tax. – A tax is imposed for each taxable year on the North Carolina taxable income
8 of every individual. The tax shall be levied, collected, and paid ~~annually. The tax is five and~~
9 ~~eight-tenths percent (5.8%) annually and shall be computed at the following percentages of the~~
10 taxpayer's North Carolina taxable income.

11 (1) For married individuals who file a joint return under G.S. 105-153.8 and for
12 surviving spouses, as defined in section 2(a) of the Code:

<u>Over</u>	<u>Up To</u>	<u>Rate</u>
-0-	1,000,000	5.8%
\$1,000,000	NA	7.75%

16 (2) For heads of households, as defined in section 2(b) of the Code:

<u>Over</u>	<u>Up To</u>	<u>Rate</u>
-0-	\$800,000	5.8%
\$800,000	NA	7.75%

20 (3) For unmarried individuals other than surviving spouses and heads of
21 households:

<u>Over</u>	<u>Up To</u>	<u>Rate</u>
-0-	600,000	5.8%
\$600,000	NA	7.75%

25 (4) For married individuals who do not file a joint return under G.S. 105-153.8:

<u>Over</u>	<u>Up To</u>	<u>Rate</u>
-0-	500,000	5.8%
\$500,000	NA	7.75%

29 (b) Withholding Tables. – The Secretary may provide tables that compute the amount
30 of tax due for a taxable year under this Part. The amounts of the tax determined under the tables
31 shall be computed on the basis of the rates prescribed by subsection (a) of this section. The
32 tables do not apply to an individual who files a return under section 443(a)(1) of the Code for a
33 period of less than 12 months due to a change in the individual's annual accounting period or to
34 an estate or trust."

35 **SECTION 2.** G.S. 105-153.7(a), as amended by Section 1 of this act, reads as
36 rewritten:



"§ 105-153.7. Individual income tax imposed.

(a) Tax. – A tax is imposed for each taxable year on 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) For married individuals who file a joint return under G.S. 105-153.8 and for surviving spouses, as defined in section 2(a) of the Code:

Over	Up To	Rate
-0-	1,000,000	5.8% 5.75%
\$1,000,000	NA	7.75%

(2) For heads of households, as defined in section 2(b) of the Code:

Over	Up To	Rate
-0-	\$800,000	5.8% 5.75%
\$800,000	NA	7.75%

(3) For unmarried individuals other than surviving spouses and heads of households:

Over	Up To	Rate
-0-	600,000	5.8% 5.75%
\$600,000	NA	7.75%

(4) For married individuals who do not file a joint return under G.S. 105-153.8:

Over	Up To	Rate
-0-	500,000	5.8% 5.75%
\$500,000	NA	7.75%"

SECTION 3. Section 1.2 of S.L. 2013-316 is repealed.

SECTION 4. Section 1 of this act is effective for taxable years beginning on or after January 1, 2014. Section 2 of this act is effective for taxable years beginning on or after January 1, 2015. The remainder of this act is effective when it becomes law.