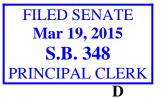
GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2015



SENATE DRS25099-MC-111 (03/11)

Short Title:	Equal Tax Treatment of Govt Retirees.	(Public)
Sponsors:	Senator Randleman (Primary Sponsor).	
Referred to:		

1		A BILL TO BE ENTITLED
2	AN ACT TO	PROVIDE EQUAL INCOME TAX TREATMENT OF GOVERNMENT
3	RETIREES'	BENEFITS.
4	The General As	sembly of North Carolina enacts:
5	SEC	TION 1. G.S. 105-153.3 is amended by adding a new subdivision to read:
6	" <u>(15</u>	a) Retirement plan A written retirement plan established by the employer to
7		provide payments to an employee or the beneficiary of an employee after the
8		end of the employee's employment with the employer where the right to
9		receive the payments is based upon the employment relationship. With
10		respect to a self-employed individual or the beneficiary of a self-employed
11		individual, the term means a written retirement plan established by the
12		individual to provide payments to the individual or the beneficiary of the
13		individual after the end of the self-employment. In addition, the term
14		includes an individual retirement plan as defined in the Code and any plan
15		treated as an individual retirement plan under the Code. For the purpose of
16		this subdivision, the term "employee" includes a volunteer worker."
17		TION 2. G.S. 105-153.5 is amended by adding a new subdivision to read:
18	. ,	er Deductions. – In calculating North Carolina taxable income, a taxpayer may
19		e taxpayer's adjusted gross income any of the following items that are included
20	in the taxpayer's	adjusted gross income:
21		
22	<u>(5a)</u>	The amount received during the taxable year from one or more state, local
23		or federal government retirement plans, subject to the phase-in provided in
24		this subdivision:
25		Taxpayer Vested in the Plan
26		on or Before Income Years Beginning
27		<u>August 1992</u> <u>In 2015</u> <u>In 2016</u>
28		August 1995 In 2016
29		<u>August 1998</u> <u>In 2017</u> <u>In 2018</u>
30		August 2001 In 2018
31		August 2004 In 2019
32 33		August 2007 In 2020
33 34		August 2010 In 2021
54 35		August 2013 In 2022 August 2016 In 2023."
55		<u>August 2010</u> <u>III 2025.</u>



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	General Assembly of North Carolina Session 2)15
1	SECTION 3. G.S. 105-153.5(b) is amended by adding two new subdivisions	to
2	read:	
3	"(b) Other Deductions. – In calculating North Carolina taxable income, a taxpayer r	nay
4	deduct from the taxpayer's adjusted gross income any of the following items that are inclu	ded
5	in the taxpayer's adjusted gross income:	
6		
7	(5b) The amount received during the taxable year under North Carolina State	and
8	local government retirement plans and under federal government retirem	ent
9	<u>plans.</u>	
10	(5c) The amount received during the taxable year under a state or lo	
11	government retirement plan of a state other than North Carolina, to	
12	extent that other state would not subject to individual income tax	
13	equivalent amount received under a North Carolina State or lo	ocal
14	government retirement plan."	
15	SECTION 4. Section 2 of this act is effective for taxable years beginning or	
16	after January 1, 2015. Section 2 of this act is repealed for taxable years beginning on or a	
17	January 1, 2024, and Section 3 of this act is effective for taxable years beginning on or a	iter
18	January 1, 2024. The remainder of this act is effective when it becomes law.	