

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025

H.B. 711
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH10337-NIF-106

Short Title: Recovery Support Via Revenue Stabilization. (Public)

Sponsors: Representative Lopez.

Referred to:

A BILL TO BE ENTITLED
AN ACT TO REPEAL THE CORPORATE INCOME TAX PHASEOUT.

Whereas, North Carolina has been consistently ranked as one of the top states for business; and

Whereas, North Carolina fosters a pro-business environment, fueled by the lowest corporate income tax in the United States, out of all states that levy a corporate income tax; and

Whereas, North Carolina is still recovering from Hurricane Helene, one of the largest natural disasters in the State's history; and

Whereas, Hurricane Helene has left significant long-term impacts to western North Carolina; and

Whereas, it is the public policy of the General Assembly to ensure that North Carolina has the funds needed to support a full and complete recovery while remaining a low corporate income tax state; Now, therefore,

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-130.3 reads as rewritten:

"§ 105-130.3. Corporations.

A tax is imposed on the State net income of every C Corporation doing business in this State. State at the rate of two and one-quarter percent (2.25%). An S Corporation is not subject to the tax levied in this section. ~~The tax is a percentage of the taxpayer's State net income computed as follows:~~

Taxable Years Beginning	Tax
In 2025	2.25%
In 2026	2%
In 2028	1%
After 2029	0%."

SECTION 2. This act is effective for taxable years beginning on or after January 1, 2026.



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