

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

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HOUSE BILL 1210

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

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

For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Finance.

May 28, 2014

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

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-153.7 reads as 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. ~~The tax is five and eight-tenths percent (5.8%) 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:

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

(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%

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

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

(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%

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



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

3 **"§ 105-153.7. Individual income tax imposed.**

4 (a) Tax. – A tax is imposed for each taxable year on the North Carolina taxable income
 5 of every individual. The tax shall be levied, collected, and paid annually and shall be computed
 6 at the following percentages of the taxpayer's North Carolina taxable income.

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

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

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

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

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

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

21 (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% <u>5.75%</u>
\$500,000	NA	7.75%"

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

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