

GENERAL ASSEMBLY OF NORTH CAROLINA
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SENATE BILL DRS15296-MC-215 (04/15)

Short Title: Small Business Tax Relief. (Public)

Sponsors: Senators Lowe, Smith-Ingram, and Foushee (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE INCOME TAX RELIEF FOR SMALL BUSINESSES.

3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** G.S. 105-153.5(b) is amended by adding a new subdivision to read:

5 "(b) Other Deductions. – In calculating North Carolina taxable income, a taxpayer may
6 deduct from the taxpayer's adjusted gross income any of the following items that are included in
7 the taxpayer's adjusted gross income:

8 ...

9 (10) An amount not to exceed fifty thousand dollars (\$50,000) of net business
10 income the taxpayer receives during the taxable year if the taxpayer has not
11 more than two hundred fifty thousand dollars (\$250,000) in gross receipts
12 during the taxable year. In the case of a married couple filing a joint return
13 where both spouses receive or incur net business income, the maximum dollar
14 amounts apply separately to each spouse's net business income. For purposes of
15 this subdivision, the term "business income" does not include income that is
16 considered passive income under the Code."

17 **SECTION 2.** This act is effective for taxable years beginning on or after January 1,
18 2016.



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