

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE BILL 323

Short Title: Decrease Corporate Income Tax Rate. (Public)

Sponsors: Representatives Torbett, Jordan, and Stone (Primary Sponsors).
For a complete list of Sponsors, see Bill Information on the NCGA Web Site.

Referred to: Rules, Calendar, and Operations of the House.

March 14, 2011

1 A BILL TO BE ENTITLED
2 AN ACT TO REDUCE THE CORPORATE INCOME TAX RATE IN NORTH CAROLINA.
3 The General Assembly of North Carolina enacts:

4 SECTION 1. G.S. 105-130.3 reads as rewritten:
5 "§ 105-130.3. Corporations.

6 A tax is imposed on the State net income of every C Corporation doing business in this
7 State. An S Corporation is not subject to the tax levied in this section. The tax is a percentage
8 of the taxpayer's State net income computed as follows:

Income Years Beginning	Tax
In 1997	7.5%
In 1998	7.25%
In 1999	7%
After 1999	6.9%
<u>Before 2011</u>	<u>6.9%</u>
<u>In or after 2011</u>	<u>4.75%."</u>

16 SECTION 2. G.S. 115C-546.1(b) reads as rewritten:

17 "(b) Each calendar quarter, the Secretary of Revenue shall remit to the State Treasurer
18 for credit to the Public School Building Capital Fund an amount equal to the applicable fraction
19 provided in the table below of the net collections received during the previous quarter by the
20 Department of Revenue under G.S. 105-130.3. All funds deposited in the Public School
21 Building Capital Fund shall be invested as provided in G.S. 147-69.2 and G.S. 147-69.3.

Period	Fraction
10/1/97 to 9/30/98	One-fifteenth (1/15)
10/1/98 to 9/30/99	Two-twenty-ninths (2/29)
10/1/99 to 9/30/00	One-fourteenth (1/14)
After 9/30/00 <u>10/1/00 to 9/30/11</u>	<u>Five sixty-ninths (5/69)</u>
<u>After 10/1/11</u>	<u>One ninety-fifth (1/95)"</u>

28 SECTION 3. Section 1 of this act is effective for taxable years beginning on or
29 after January 1, 2011. Section 2 of this act becomes effective July 1, 2011, and applies to the
30 calendar quarter that ends September 30, 2011. The remainder of this act is effective when it
31 becomes law.

