

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011

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HOUSE BILL 886

Short Title: Increase Charitable Contribution Deduction. (Public)

Sponsors: Representatives Moffitt, Brawley, Stam, and Setzer (Primary Sponsors).  
For a complete list of Sponsors, see Bill Information on the NCGA Web Site.

Referred to: Finance.

May 4, 2011

1 A BILL TO BE ENTITLED  
2 AN ACT TO INCREASE THE LIMITS ON CORPORATE INCOME TAX DEDUCTIONS  
3 FOR CHARITABLE CONTRIBUTIONS IN CONFORMANCE WITH THE INTERNAL  
4 REVENUE CODE.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 105-130.9 reads as rewritten:

7 "**§ 105-130.9. Contributions.**

8 Contributions shall be allowed as a deduction to the extent and in the manner provided as  
9 follows:

10 (1) Charitable contributions as defined in section 170(c) of the Code, exclusive  
11 of contributions allowed in subdivision (2) of this section, shall be allowed  
12 as a deduction to the extent provided herein. The amount allowed as a  
13 deduction hereunder shall be limited to an amount not in excess of ~~five-ten~~  
14 percent ~~(5%)(10%)~~ of the corporation's net income as computed without the  
15 benefit of this subdivision or subdivision (2) of this section. Any unused  
16 portion of a deduction under this subsection may be carried forward for the  
17 next succeeding five years. ~~Provided, that a carryover of contributions shall~~  
18 ~~not be allowed and that contributions~~ Contributions made to North Carolina  
19 donees by corporations allocating a part of their total net income outside this  
20 State shall not be allowed under this subdivision, but shall be allowed under  
21 subdivision (3) of this section.

22 ...

23 (3) Corporations allocating a part of their total net income outside North  
24 Carolina under the provisions of G.S. 105-130.4 shall deduct from total  
25 income allocable to North Carolina contributions made to North Carolina  
26 donees qualified under subdivisions (1) and (2) of this section or made  
27 through North Carolina offices or branches of other donees qualified under  
28 the above-mentioned subdivisions of this section; provided, such deduction  
29 for contributions made to North Carolina donees qualified under subdivision  
30 (1) of this section shall be limited in amount to ~~five-ten~~ percent ~~(5%)(10%)~~  
31 of the total income allocated to North Carolina as computed without the  
32 benefit of this deduction for contributions.

33 ...."

34 **SECTION 2.** This act is effective for taxable years beginning on or after January 1,  
35 2013.

