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SENATE BILL DRS35190-NIf-96

Short Title:	Caregiver Tax Credit.	(Public)
Sponsors:	Senators Batch, Garrett, and Applewhite (Primary Sponsors).	
Referred to:		

1 A BILL TO BE ENTITLED
2 AN ACT TO ENACT THE FAMILIES AND VETERANS CAREGIVER TAX CREDIT.
3 The General Assembly of North Carolina enacts:
4   **SECTION 1.** Part 2 of Article 4 of Subchapter I of Chapter 105 of the General
5 Statutes is amended by adding a new section to read:
6 "**§ 105-153.11. Credit for adult dependents.**
7   (a)   Credit. – A taxpayer who (i) is allowed an exemption for a qualifying relative pursuant
8 to section 152 of the Code and (ii) has an adjusted gross income less than the amount listed in
9 the table below is allowed a credit under this section against the tax imposed by this Part for each
10 qualifying relative for whom the taxpayer is allowed the federal exemption. The amount of the
11 credit is equal to three thousand dollars ($3,000) if the qualifying relative is a veteran of the
12 Armed Forces of the United States and is one thousand five hundred dollars ($1,500) for any
13 other qualifying relative. The applicable adjusted gross income limit for a taxpayer is as follows:

Filing Status	**AGI**
Married, filing jointly/surviving spouse	$150,000
Head of Household	$112,500
Single	$75,000
Married, filing separately	$75,000.

23   (b)   Limitations. – A nonresident or part-year resident who claims the credit allowed by
24 this section shall reduce the amount of the credit by multiplying it by the fraction calculated under
25 G.S. 105-153.4. The credit allowed under this section may not exceed the amount of tax imposed
26 by this Part for the taxable year reduced by the sum of all credits allowable, except payments of
27 tax made by or on behalf of the taxpayer."
28   **SECTION 2.** This act is effective for taxable years beginning on or after January 1,
29 2023.