

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025**

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SENATE BILL 455

Short Title: Main Street Resilience Act. (Public)

Sponsors: Senators Everitt, Bradley, and Grafstein (Primary Sponsors).

Referred to: Rules and Operations of the Senate

March 25, 2025

A BILL TO BE ENTITLED
AN ACT TO PROVIDE INCOME TAX RELIEF TO SMALL BUSINESSES.
The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-153.5(b) reads as rewritten:

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

...

(17) An amount not to exceed seventy-five thousand dollars (\$75,000) of net business income the taxpayer receives during the taxable year if the taxpayer is a small business. In the case of a married couple filing a joint return where both spouses receive or incur net business income, the maximum dollar amounts apply separately to each spouse's net business income, not to exceed a total of one hundred fifty thousand dollars (\$150,000). For purposes of this subdivision, the term "business income" does not include income that is considered passive income under the Code, and the term "small business" means an independently owned and operated business (i) whose employees, combined with the employees of all related persons, for the relevant tax year did not exceed 50 and (ii) with annual revenues of less than five million dollars (\$5,000,000)."

SECTION 2. This act is effective for taxable years beginning on or after January 1, 2026.



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