

GENERAL ASSEMBLY OF NORTH CAROLINA  
1987 SESSION

CHAPTER 941  
SENATE BILL 1601

AN ACT TO LIMIT THE INCOME TAX DEPENDENCY EXEMPTION TO  
RELATIVES AND FOSTER CHILDREN OF THE TAXPAYER AND  
DEPENDENTS OF WHOM THE TAXPAYER HAS LEGAL CUSTODY.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-149(a)(5) a., b., and c. read as rewritten:

"a. A—Any of the following relatives, whether natural or adopted: a son or daughter (or a descendant of either), a stepson, or stepdaughter, a brother or sister (including a brother or sister of the half blood), a stepbrother, stepsister, father or mother (or an ancestor of either), a stepfather, a stepmother, a son or daughter of a brother or sister, a brother or sister of the father or mother, a son-in-law, a daughter-in-law, a father-in-law, a mother-in-law, a brother-in-law, or a sister-in-law of the taxpayer;

b. An individual who was a member of the same household as the taxpayer; taxpayer and was related to the taxpayer, whether by blood, affinity, or adoption, a foster child of the taxpayer, or an individual of whom the taxpayer had legal custody during the taxable year;

c. A former member of the same household as the taxpayer who otherwise qualifies as a dependent of the taxpayer under subdivision b of this subsection or an individual who otherwise qualifies as a dependent of the taxpayer, who for the taxable year of such taxpayer receives institutional care required by reason of a physical or mental disability."

Sec. 2. This act is effective for taxable years beginning on or after January 1, 1988.

In the General Assembly read three times and ratified this the 24th day of June, 1988.