

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 1141

Short Title: Individual Income Tax Brackets.

(Public)

Sponsors: Representative Barnes.

Referred to: Finance.

May 1, 1991

A BILL TO BE ENTITLED

AN ACT TO ADD TWO MORE BRACKETS TO THE INDIVIDUAL INCOME TAX  
SO THAT HIGHER-INCOME TAXPAYERS PAY TAX AT HIGHER  
MARGINAL RATES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-134.2(a) reads as rewritten:

"(a) A tax is imposed upon the North Carolina taxable income of every individual. The tax shall be levied, collected, and paid annually and shall be computed at the following percentages of the taxpayer's North Carolina taxable income.

(1) For married individuals who file a joint return under G.S. 105-152.1 and for surviving spouses, as defined in section 2(a) of the Code:

On the North Carolina taxable income up to twenty-one thousand two hundred fifty dollars (\$21,250), six percent ~~(6%)~~; and ~~(6%)~~.

On the ~~excess amount~~ over twenty-one thousand two hundred fifty dollars ~~(\$21,250)~~, ~~(\$21,250)~~ and up to seventy-five thousand dollars (\$75,000), seven percent (7%).

On the amount over seventy-five thousand dollars (\$75,000) and up to one hundred thousand dollars (\$100,000), seven and one-half percent (7 1/2%).

On the amount over one hundred thousand dollars (\$100,000), eight percent (8%).

(2) For heads of households, as defined in section 2(b) of the Code:

On the North Carolina taxable income up to seventeen thousand dollars (\$17,000), six percent ~~(6%)~~; and ~~(6%)~~.

1           On the ~~excess amount~~ over seventeen thousand dollars (~~\$17,000~~),  
2           (\$17,000) and up to sixty thousand dollars (\$60,000), seven percent  
3           (7%).

4           On the amount over sixty thousand dollars (\$60,000) and up to  
5           eighty thousand dollars (\$80,000), seven and one-half percent (7  
6           1/2%).

7           On the amount over eighty thousand dollars (\$80,000), eight  
8           percent (8%).

- 9           (3) For unmarried individuals other than surviving spouses and heads of  
10           households:

11           On the North Carolina taxable income up to twelve thousand seven  
12           hundred fifty dollars (\$12,750), six percent (~~6%~~); ~~and (6%)~~.

13           On the ~~excess amount~~ over twelve thousand seven hundred fifty  
14           dollars (~~\$12,750~~), (~~\$12,750~~) and up to forty-five thousand dollars  
15           (\$45,000), seven percent (7%).

16           On the amount over forty-five thousand dollars (\$45,000) and up to  
17           sixty thousand dollars (\$60,000), seven and one-half percent (7 1/2%).

18           On the amount over sixty thousand dollars (\$60,000), eight percent  
19           (8%).

- 20           (4) For married individuals who do not file a joint return under G.S. 105-  
21           152.1:

22           On the North Carolina taxable income up to ten thousand six  
23           hundred twenty-five dollars (\$10,625), six percent (~~6%~~); ~~and (6%)~~.

24           On the ~~excess amount~~ over ten thousand six hundred twenty-five  
25           dollars (~~\$10,625~~), (~~\$10,625~~) and up to thirty-seven thousand five  
26           hundred dollars (\$37,500), seven percent (7%).

27           On the amount over thirty-seven thousand five hundred dollars  
28           (\$37,500) and up to fifty thousand dollars (\$50,000), seven and one-  
29           half percent (7 1/2%).

30           On the amount over fifty thousand dollars (\$50,000), eight percent  
31           (8%)."

32           Sec. 2. Notwithstanding G.S. 105-163.15, no addition to tax may be made  
33           under that statute for a taxable year beginning on or after January 1, 1991, and before  
34           January 1, 1992, with respect to an underpayment of individual income tax to the extent  
35           the underpayment was created or increased by this act.

36           Sec. 3. This act is effective for taxable years beginning on or after January 1,  
37           1991.