

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 1219

Short Title: No Excessive Interest Deduction.

(Public)

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Sponsors: Representative Withrow.

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Referred to: Finance.

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May 10, 1991

A BILL TO BE ENTITLED

AN ACT TO DISALLOW CORPORATE INTEREST DEDUCTIONS FOR CERTAIN  
HIGH-INTEREST BONDS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-130.5(a) is amended by adding a new subdivision to  
read:

"(12) Interest paid on a bond or debenture issued by the taxpayer at a rate  
above twelve percent (12%) to the extent the amount paid exceeds the  
amount that would have been payable at the rate of twelve percent  
(12%)."

Sec. 2. This act is effective for taxable years beginning on or after January 1,  
1991.