

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 1268

Short Title: Raise Corporate Income Tax.

(Public)

Sponsors: Representative Beall.

Referred to: Finance.

May 10, 1991

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE CORPORATE INCOME TAX FROM SEVEN PERCENT TO EIGHT PERCENT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-130.3 reads as rewritten:

"§ 105-130.3. Corporations.

Every corporation doing business in this State shall pay annually an income tax equivalent to ~~seven percent (7%)~~ eight percent (8%) of its net income or the portion thereof allocated and apportioned to this State, except that an S Corporation subject to the provisions of Division I-S of this Article shall not be subject to the tax levied by this section.

The net income or net loss of such corporation shall be the same as 'taxable income' as defined in the Code subject to the adjustments provided in G.S. 105-130.5.

If the entire business of the corporation is done within this State or if the corporation is not taxable in another state within the meaning of subsection (b) of G.S. 105-130.4, the tax shall be measured by the entire net income of the corporation for the income year.

If the business of the corporation is taxable both within and without this State, its entire net income or net loss shall be allocated and apportioned in accordance with the provisions of G.S. 105-130.4."

Sec. 2. This act is effective for taxable years beginning on or after January 1, 1992.