

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

1

HOUSE BILL 1824

Short Title: Teacher Tax Credit.

(Public)

Sponsors: Representatives Arnold; Hurley, Rayfield, Sexton, and Morris.

Referred to: Finance.

May 30, 2000

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE AN INCOME TAX CREDIT TO TEACHERS AT LOW-
3 PERFORMING SCHOOLS IN NORTH CAROLINA.

4 The General Assembly of North Carolina enacts:

5 Section 1. Part 2 of Article 4 of Chapter 105 of the General Statutes is
6 amended by adding a new section to read:

7 "**§ 105-151.29. Credit for teachers at low-performing public schools.**

8 (a) Definitions. – The following definitions apply in this section:

9 (1) Classroom teacher. – A full-time permanent employee of a public
10 school in this State, including public schools operated by the federal
11 government, who spends at least fifty percent (50%) of the school day
12 providing classroom instruction.

13 (2) Low-performing public school. – A school identified as a low-
14 performing school pursuant to G.S. 115C-105.37 for the school year
15 ending in the previous taxable year or a public school located in this
16 State that is operated by a branch of the federal government and in
17 which a majority of the students are performing below grade level for
18 the school year ending in the previous taxable year.

1 (b) Credit. – A taxpayer who is a classroom teacher in a low-performing public
2 school is allowed a credit against the tax imposed by this Part. The amount of the credit
3 allowed is four hundred dollars (\$400.00) for each semester during the taxable year.

4 For the purpose of this section, there are two semesters during each taxable year. To
5 qualify for a credit for the first semester, a taxpayer must be employed as a classroom
6 teacher in a low-performing public school for at least three of the first six months of the
7 taxable year. To qualify for a credit for the second semester, a taxpayer must be
8 employed as a classroom teacher in a low-performing public school for at least three of
9 the last six months of the taxable year.

10 In the case of a married couple filing a joint return, each spouse may qualify
11 separately for the credit allowed under this section."

12 Section 2. G.S. 105-160.3(b) is amended by adding a new subdivision to read:

13 "(8) G.S. 105-151.29. Credit for teachers at low-performing schools."

14 Section 3. This act is effective for taxable years beginning on or after January
15 1, 2001.