

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 2495

Short Title: Deduction for S Corporation Income. (Public)

Sponsors: Representatives Holloway; Almond, Blackwood, Blust, Cleveland, Frye, Moore, and Wiley.

Referred to: Finance.

May 25, 2006

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE A SMALL BUSINESS INCOME TAX EXEMPTION.
3 The General Assembly of North Carolina enacts:
4 **SECTION 1.** G.S. 105-131.1 is amended by adding a new subsection to
5 read:
6 "(a1) Before computing the income attributable to the State, an S Corporation may
7 subtract from income twenty-five thousand dollars (\$25,000)."
8 **SECTION 2.** This act is effective for taxable years beginning on or after
9 January 1, 2006.