

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE BILL 2550

Short Title: Small Business Health Benefits Credit. (Public)

Sponsors: Representatives Holliman, T. Harrell (Primary Sponsors); Alexander, Braxton, Cleveland, Coates, Dollar, Fisher, Frye, Gibson, Glazier, Harrison, Hilton, Hurley, Killian, McGee, McLawhorn, Ross, Setzer, Tarleton, Wainwright, R. Warren, Weiss, Williams, and Wray.

Referred to: Commerce, Small Business, and Entrepreneurship, if favorable, Finance.

May 26, 2008

A BILL TO BE ENTITLED

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2 AN ACT TO INCREASE THE DOLLAR AMOUNT OF THE CREDIT FOR SMALL
3 BUSINESS EMPLOYEE HEALTH BENEFITS AND TO EXTEND THE SUNSET
4 DATE OF THE CREDIT.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 105-129.16E(a) reads as rewritten:

7 "(a) Credit. – A small business that provides health benefits for all of its eligible
8 employees during the taxable year is allowed a credit to offset its costs in providing
9 health benefits for its eligible employees. For the purposes of this subsection, a taxpayer
10 provides health benefits if it pays at least fifty percent (50%) of the premiums for health
11 care coverage that equals or exceeds the minimum provisions of the basic health care
12 plan of coverage recommended by the Small Employer Carrier Committee pursuant to
13 G.S. 58-50-125 or if its employees have qualifying existing coverage.

14 The credit is equal to a dollar amount per eligible employee whose total wages or
15 salary received from the business does not exceed forty thousand dollars (\$40,000) on
16 an annual basis. The dollar amount is ~~two hundred fifty dollars (\$250.00)~~, three hundred
17 dollars (\$300.00), not to exceed the taxpayer's costs of providing health benefits for the
18 employee during the taxable year."

19 **SECTION 2.** G.S. 105-129.16E(d) reads as rewritten:

20 "(d) Sunset. – This section expires for taxable years beginning on or after January
21 1, ~~2009-2014.~~"

22 **SECTION 3.** Section 2 of this act is effective for taxable years beginning on
23 or after January 1, 2008. The remainder of this act is effective when it becomes law.