

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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SENATE BILL 1426

Short Title: Lower Corporate Income Tax Rate. (Public)

Sponsors: Senator Brock.

Referred to: Finance.

May 26, 2010

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2 A BILL TO BE ENTITLED  
3 AN ACT TO REDUCE THE CORPORATE INCOME TAX RATE.  
4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-130.3 reads as rewritten:

6 "**§ 105-130.3. Corporations.**

7 A tax is imposed on the State net income of every C Corporation doing business in this  
8 State. An S Corporation is not subject to the tax levied in this section. The tax is a  
9 ~~percentage~~ five percent (5%) of the taxpayer's State net ~~income computed as follows:~~

<del>Income Years Beginning</del>	<del>Tax</del>
<del>In 1997</del>	<del>7.5%</del>
<del>In 1998</del>	<del>7.25%</del>
<del>In 1999</del>	<del>7%</del>
<del>After 1999</del>	<del>6.9%-income."</del>

15 **SECTION 2.** G.S. 105-130.3B is repealed.

16 **SECTION 3.** G.S. 115C-546.1(b) reads as rewritten:

17 "(b) Each calendar quarter, the Secretary of Revenue shall remit to the State Treasurer  
18 for credit to the Public School Building Capital Fund an amount equal to ~~the applicable fraction~~  
19 ~~provided in the table below~~ five fiftieths (5/50) of the net collections received during the  
20 previous quarter by the Department of Revenue under G.S. 105-130.3. All funds deposited in  
21 the Public School Building Capital Fund shall be invested as provided in G.S. 147-69.2 and  
22 G.S. 147-69.3.

<del>Period</del>	<del>Fraction</del>
<del>10/1/97 to 9/30/98</del>	<del>One fifteenth (1/15)</del>
<del>10/1/98 to 9/30/99</del>	<del>Two twenty ninths (2/29)</del>
<del>10/1/99 to 9/30/00</del>	<del>One fourteenth (1/14)</del>
<del>After 9/30/00</del>	<del>Five sixty ninths (5/69)"</del>

28 **SECTION 4.** Sections 1 and 2 of this act are effective for taxable years beginning  
29 on or after January 1, 2010. Section 3 of this act is effective July 1, 2010, and applies to the  
30 calendar quarter that ends September 30, 2010. The remainder of this act is effective when it  
31 becomes law.

