

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

**H.B. 384**  
**Mar 12, 2025**  
**HOUSE PRINCIPAL CLERK**

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HOUSE BILL DRH40237-NIF-86

Short Title: NCNG Tax Deduction for Fed. Pay. (Public)

Sponsors: Representative Loftis.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO ALLOW ENLISTED MEMBERS OF THE NORTH CAROLINA NATIONAL  
3 GUARD WITH A RANK OF E-1 THROUGH E-5 WHO RESIDE IN NORTH CAROLINA  
4 TO DEDUCT THEIR FEDERAL BASIC PAY FROM THE INCOME TAX.  
5 The General Assembly of North Carolina enacts:  
6 **SECTION 1.** G.S. 105-153.5(b) is amended by adding a new subdivision to read:  
7 "(17) The total amount of federal basic pay under Title 37 of the United States Code  
8 received by an enlisted member of the Army National Guard or the Air  
9 National Guard who holds the rank of E-1, E-2, E-3, E-4, or E-5 and who  
10 resides in North Carolina."  
11 **SECTION 2.** This act is effective for taxable years beginning on or after January 1,  
12 2025.



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