

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2025**

H

1

HOUSE BILL 384

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

Sponsors: Representatives Loftis, Schietzelt, Gable, and Campbell (Primary Sponsors).
For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Homeland Security and Military and Veterans Affairs, if favorable, Finance, if favorable, Rules, Calendar, and Operations of the House

March 13, 2025

A BILL TO BE ENTITLED

1 AN ACT TO ALLOW ENLISTED MEMBERS OF THE NORTH CAROLINA NATIONAL
2 GUARD WITH A RANK OF E-1 THROUGH E-5 WHO RESIDE IN NORTH CAROLINA
3 TO DEDUCT THEIR FEDERAL BASIC PAY FROM THE INCOME TAX.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-153.5(b) is amended by adding a new subdivision to read:

6 "(17) The total amount of federal basic pay under Title 37 of the United States Code
7 received by an enlisted member of the Army National Guard or the Air
8 National Guard who holds the rank of E-1, E-2, E-3, E-4, or E-5 and who
9 resides in North Carolina."

10 **SECTION 2.** This act is effective for taxable years beginning on or after January 1,
11 2025.
12



* H 3 8 4 - V - 1 *