

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

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**SENATE BILL 2097**

Short Title: Increase Earned Income Tax Credit Percentage. (Public)

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Sponsors: Senator Cowell.

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Referred to: Finance.

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May 28, 2008

A BILL TO BE ENTITLED

AN ACT TO INCREASE THE EARNED INCOME TAX CREDIT TO FIVE PERCENT.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-151.31(a) reads as rewritten:

"(a) Credit. – An individual who claims for the taxable year an earned income tax credit under section 32 of the Code is allowed a credit against the tax imposed by this Part equal to ~~three and one half percent (3.5%)~~ five percent (5%) of the amount of credit the individual qualified for under section 32 of the Code. A nonresident or part-year resident who claims the credit allowed by this section must reduce the amount of the credit by multiplying it by the fraction calculated under G.S. 105-134.5(b) or (c), as appropriate."

**SECTION 2.** This act is effective for taxable years beginning on or after January 1, 2008.