

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2013

H.B. 642
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HOUSE PRINCIPAL CLERK

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HOUSE DRH10259-MC-174 (03/28)

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

Sponsors: Representatives Conrad, Jeter, Moffitt, and Murry (Primary Sponsors).

Referred to:

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

4 **SECTION 1.** G.S. 105-130.3 reads as rewritten:
5 "**§ 105-130.3. Corporations.**

6 A tax is imposed on the State net income of every C Corporation doing business in this
7 State. An S Corporation is not subject to the tax levied in this section. The tax is a
8 ~~percentage~~ four and nine-tenths percent (4.9%) of the taxpayer's State net ~~income computed as~~
9 ~~follows: income.~~

Income Years	Beginning	Tax
In 1997	7.5%	
In 1998	7.25%	
In 1999	7%	
After 1999	6.9%.	

15 **SECTION 2.** G.S. 115C-546.1(b) reads as rewritten:

16 "(b) Each calendar quarter, the Secretary of Revenue shall remit to the State Treasurer
17 for credit to the Public School Building Capital Fund an amount equal to ~~the applicable fraction~~
18 ~~provided in the table below~~ five forty-ninths (5/49) of the net collections received during the
19 previous quarter by the Department of Revenue under G.S. 105-130.3. All funds deposited in
20 the Public School Building Capital Fund shall be invested as provided in G.S. 147-69.2 and
21 G.S. 147-69.3.

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

27 **SECTION 3.** Section 1 of this act is effective for taxable years beginning on or
28 after January 1, 2013. Section 2 of this act is effective July 1, 2013, and applies to the calendar
29 quarter that ends September 30, 2013. The remainder of this act is effective when it becomes
30 law.

