

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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HOUSE BILL 1438

Short Title: Exempt Certain Military Pay From Income Tax. (Public)

Sponsors: Representatives Warner; and M. Crawford.

Referred to: Finance.

May 10, 2001

A BILL TO BE ENTITLED

AN ACT TO EXEMPT FROM INCOME TAX COMPENSATION PAID TO
MILITARY PERSONNEL FOR CERTAIN SERVICES PERFORMED OUTSIDE
OF THIS STATE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-134.6(b) is amended by adding a new subdivision to
read:

"(b) Deductions. – The following deductions from taxable income shall be made
in calculating North Carolina taxable income, to the extent each item is included in
taxable income:

...

(17) Compensation that is paid by the armed forces of the United States for
services performed outside of this State during the taxable year to an
individual who is on active duty as a full-time officer, enlistee, or
draftee."

SECTION 2. This act is effective for taxable years beginning on or after
January 1, 2002.