

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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HOUSE BILL 711

Short Title: Teacher Tax Credit.

(Public)

Sponsors: Representative Arnold.

Referred to: Finance.

March 21, 2001

A BILL TO BE ENTITLED

AN ACT TO PROVIDE AN INCOME TAX CREDIT TO TEACHERS AT LOW-
PERFORMING SCHOOLS IN NORTH CAROLINA.

The General Assembly of North Carolina enacts:

SECTION 1. Part 2 of Article 4 of Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ 105-151.29. Credit for teachers at low-performing public schools.

(a) Definitions. – The following definitions apply in this section:

(1) Classroom teacher. – A full-time permanent employee of a public school in this State, including public schools operated by the federal government, who spends at least fifty percent (50%) of the school day providing classroom instruction.

(2) Low-performing public school. – A school identified as a low-performing school pursuant to G.S. 115C-105.37 for the school year ending in the previous taxable year or a public school located in this State that is operated by a branch of the federal government or by a federally recognized Indian tribe and in which a majority of the students are performing below grade level for the school year ending in the previous taxable year.

(b) Credit. – A taxpayer who is a classroom teacher in a low-performing public school is allowed a credit against the tax imposed by this Part. The amount of the credit allowed is four hundred dollars (\$400.00) for each semester during the taxable year.

For the purpose of this section, there are two semesters during each taxable year. To qualify for a credit for the first semester, a taxpayer must be employed as a classroom teacher in a low-performing public school for at least three of the first six months of the taxable year. To qualify for a credit for the second semester, a taxpayer must be employed as a classroom teacher in a low-performing public school for at least three of the last six months of the taxable year.

1 In the case of a married couple filing a joint return, each spouse may qualify
2 separately for the credit allowed under this section."

3 **SECTION 2.** G.S. 105-160.3(b) is amended by adding a new subdivision to
4 read:

5 "(8) G.S. 105-151.29. Credit for teachers at low-performing schools."

6 **SECTION 3.** This act is effective for taxable years beginning on or after
7 January 1, 2002.