

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

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SENATE DRS65059-MC-297 (05/14)

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

Sponsors: Senator Brock.

Referred to:

1
2 A BILL TO BE ENTITLED
3 AN ACT TO REDUCE THE CORPORATE INCOME TAX RATE.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 105-130.3 reads as rewritten:

6 "§ 105-130.3. Corporations.

7 A tax is imposed on the State net income of every C Corporation doing business in this
8 State. An S Corporation is not subject to the tax levied in this section. The tax is a
9 ~~percentage~~ five percent (5%) of the taxpayer's State net ~~income computed as follows:~~

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

15 SECTION 2. G.S. 105-130.3B is repealed.

16 SECTION 3. G.S. 115C-546.1(b) reads as rewritten:

17 "(b) Each calendar quarter, the Secretary of Revenue shall remit to the State Treasurer
18 for credit to the Public School Building Capital Fund an amount equal to ~~the applicable fraction~~
19 ~~provided in the table below~~ five fiftieths (5/50) of the net collections received during the
20 previous quarter by the Department of Revenue under G.S. 105-130.3. All funds deposited in
21 the Public School Building Capital Fund shall be invested as provided in G.S. 147-69.2 and
22 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)"

28 SECTION 4. Sections 1 and 2 of this act are effective for taxable years beginning
29 on or after January 1, 2010. Section 3 of this act is effective July 1, 2010, and applies to the
30 calendar quarter that ends September 30, 2010. The remainder of this act is effective when it
31 becomes law.

