

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011

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SENATE BILL 752

Short Title: Eliminate Double-Weighted Sales Apportionment. (Public)

Sponsors: Senator Mansfield.

Referred to: Finance.

April 20, 2011

1 A BILL TO BE ENTITLED  
2 AN ACT TO MODIFY THE APPORTIONMENT FORMULA FOR INCOME TAX BY  
3 ELIMINATING THE DOUBLE WEIGHTING OF THE SALES FACTOR.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-130.4(i) reads as rewritten:

6 "(i) All apportionable income of corporations other than public utilities, excluded  
7 corporations, and qualified capital intensive corporations shall be apportioned to this State by  
8 multiplying the income by a fraction, the numerator of which is the property factor plus the  
9 payroll factor plus ~~twice~~ the sales factor, and the denominator of which is ~~four~~.three. If one of  
10 ~~the sales factor~~factors does not exist, the denominator of the fraction is the number of existing  
11 ~~factors and if the sales factor exists but the payroll factor or the property factor does not exist,~~  
12 ~~the denominator of the fraction is the number of existing factors plus one.~~factors.

13 **SECTION 2.** This act is effective for taxable years beginning on or after January 1,  
14 2011.

