

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2019

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SENATE BILL DRS35393-MCf-234B

Short Title: Pay Equity for Essential Employees. (Public)

Sponsors: Senators Smith and Nickel (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE AN INCOME TAX BENEFIT FOR ESSENTIAL EMPLOYEES FOR
3 INCOME EARNED FOR NECESSARY SERVICES DURING TIMES OF EMERGENCY.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-153.5(b) reads as rewritten:

6 "(b) Other Deductions. – In calculating North Carolina taxable income, a taxpayer may
7 deduct from the taxpayer's adjusted gross income any of the following items that are included in
8 the taxpayer's adjusted gross income:

9 ...

10 (13) The amount paid to the taxpayer during the taxable year from the State
11 Emergency Response and Disaster Relief Reserve Fund for hurricane relief or
12 assistance, but not including payments for goods or services provided by the
13 taxpayer.

14 (13a) A percentage of income that (i) is earned by an essential employee and (ii) is
15 derived from activities for which the employee is deemed essential during the
16 period of March 28, 2020, to December 31, 2020. For purposes of this
17 subdivision, an "essential employee" is an employee working in a critical
18 infrastructure sector identified by the Cybersecurity & Infrastructure Security
19 Agency of the United States Department of Homeland Security in the advisory
20 list published on March 28, 2020. The percentage is to be applied as follows:

21 a. For the first one hundred thousand dollars (\$100,000) of income, fifty
22 percent (50%).

23 b. For the portion of income above one hundred thousand dollars
24 (\$100,000), seventy percent (70%)."

25 **SECTION 2.** This act is effective for taxable years beginning on or after January 1,
26 2020.



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