

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023**

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**SENATE BILL 920**

Short Title: Const. Ad. - Income Tax Rate Cap Modification. (Public)

Sponsors: Senators Berger, Rabon, and P. Newton (Primary Sponsors).

Referred to: Calendar 12/2/2024

December 2, 2024

A BILL TO BE ENTITLED

AN ACT TO AMEND THE NORTH CAROLINA CONSTITUTION TO PROVIDE THAT  
THE MAXIMUM TAX RATE ON INCOMES CANNOT EXCEED FIVE PERCENT.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 2 of Article V of the North Carolina Constitution reads as  
rewritten:

**"Sec. 2. State and local taxation.**

...

(6) Income tax. The rate of tax on incomes shall not in any case exceed ~~seven~~five percent,  
and there shall be allowed personal exemptions and deductions so that only net incomes are taxed.

...."

**SECTION 2.** The amendment set out in Section 1 of this act shall be submitted to  
the qualified voters of the State at the statewide general election to be held on November 3, 2026,  
which election shall be conducted in accordance with the laws governing elections at that time.  
The question to be used in the voting systems and ballots shall be:

[ ] FOR [ ] AGAINST

Constitutional amendment to reduce the income tax rate in North Carolina to a  
maximum allowable rate of five percent (5%)."

**SECTION 3.** The State Board of Elections shall certify the results of the referendum  
conducted under Section 2 of this act. If a majority of votes cast on the question are in favor of  
the amendment set out in Section 1 of this act, the Secretary of State shall enroll the amendment  
among the permanent records of that office. If a majority of votes cast on the question are against  
the amendment set out in Section 1 of this act, the amendment shall have no effect.

**SECTION 4.** If the certification from the State Board of Elections under Section 3  
of this act reflects that a majority of votes cast on the question are in favor of the amendment set  
out in Section 1 of this act, the amendment set out in Section 1 of this act is effective upon  
certification and shall apply to taxable years beginning on or after January 1, 2027.

**SECTION 5.** Except as otherwise provided, this act is effective when it becomes  
law.

