

FAILED



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
House Bill 97

AMENDMENT NO. A10
(to be filled in by
Principal Clerk)

H97-ATDxr-65 [v.2]

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Amends Title [NO]
PCS10387-SVxf-25

Date _____, 2015

Representative Pierce

1 moves to amend the bill on page 313, lines 27-28, by inserting the following new section
2 between the lines:

3 **"DELAY CORPORATE INCOME TAX REDUCTION/REENACT EITC**

4 **SECTION 32.11.(a)** G.S. 105-151.31 is reenacted as it existed immediately before
5 its expiration and reads as rewritten:

6 **"§ 105-151.31. Earned income tax credit.**

7 (a) Credit. – An individual who claims for the taxable year an earned income tax credit
8 under section 32 of the Code is allowed a credit against the tax imposed by this Part equal to a
9 percentage of the amount of credit the individual qualified for under section 32 of the Code. A
10 nonresident or part-year resident who claims the credit allowed by this section must reduce the
11 amount of the credit by multiplying it by the fraction calculated under G.S. 105-134.5(b) or (c),
12 as appropriate. The percentage is as follows:

13 (1) For taxable year 2013, four and one-half percent (4.5%).

14 (2) For all other taxable years, five percent (5%).

15 (b) Credit Refundable. – If the credit allowed by this section exceeds the amount of tax
16 imposed by this Part for the taxable year reduced by the sum of all credits allowable, the
17 Secretary must refund the excess to the taxpayer. The refundable excess is governed by the
18 provisions governing a refund of an overpayment by the taxpayer of the tax imposed in this
19 Part. Section 3507 of the Code, Advance Payment of Earned Income Credit, does not apply to
20 the credit allowed by this section. In computing the amount of tax against which multiple
21 credits are allowed, nonrefundable credits are subtracted before refundable credits.

22 (c) Sunset. – This section is repealed effective for taxable years beginning on or after
23 January 1, 2014-2020."

24 **SECTION 32.11.(b)** Notwithstanding G.S. 105-130.3C, the corporate income tax
25 rate shall be adjusted to offset the cost of the credit in subsection (a) of this section. The
26 Secretary of Revenue shall notify taxpayers of the tax rate adjusted under this section.

27 **SECTION 32.11.(c)** Subsections (a) and (b) of this section become effective if the
28 trigger is met with regard to net General Fund tax collections for fiscal year 2014-2015 as
29 provided in in G.S. 105-130.3C. If subsections (a) and (b) of this section become effective,
30 they apply to taxable years beginning on or after January 1, 2016. The remainder of this
31 section is effective when the act becomes law.";

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- 1 And by adjusting any appropriate totals accordingly.

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

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and vote information, is available in the
House Principal Clerk's Office**