## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2001

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## HOUSE BILL 146 Committee Substitute Favorable 3/19/01

Sponsors:

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Referred to:

February 19, 2001

## A BILL TO BE ENTITLED

- AN ACT TO MODIFY THE PASS-THROUGH DISTRIBUTION OF PARTNERSHIP
  INCOME TAX CREDITS.
  The General Assembly of North Carolina enacts:
  - **SECTION 1.** G.S. 105-269.15(a) reads as rewritten:

6 "(a) Pass-Through of Credit. – A partnership may pass through to each of its 7 partners the partner's distributive share of an income tax credit for which the partnership 8 qualifies. Except as otherwise provided in this Chapter, all limitations on an income tax 9 credit apply to the partnership, except the following:

- 10(1)The limitation that the credit may not exceed the amount of income-tax11imposed on the taxpayer.
- 12 (2) A cap on the otherwise allowable amount of the credit, expressed as a
   13 specific maximum dollar amount or a specific percentage of tax
   14 imposed on the taxpayer for the taxable year."

15 **SECTION 2.** This act is effective for taxable years beginning on or after 16 January 1, 2002.

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(Public)