

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003**

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**HOUSE BILL 1492**

Short Title: IRC Update.

(Public)

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Sponsors: Representatives Stiller, Owens, Bowie, and Justus (Primary Sponsors).

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Referred to: Rules, Calendar, and Operations of the House.

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May 17, 2004

A BILL TO BE ENTITLED

1 AN ACT TO UPDATE THE REFERENCE TO THE INTERNAL REVENUE CODE  
2 USED IN DEFINING AND DETERMINING CERTAIN STATE TAX  
3 PROVISIONS.  
4

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 105-228.90(b)(1b) reads as rewritten:

7 "(b) Definitions. – The following definitions apply in this Article:

8 ...

9 (1b) Code. – The Internal Revenue Code as enacted as of ~~June 1,~~  
10 ~~2003,~~ January 1, 2004, including any provisions enacted as of that date  
11 which become effective either before or after that date."

12 **SECTION 2.** Notwithstanding Section 1 of this act, any amendments to the  
13 Internal Revenue Code enacted after June 1, 2003, that increase North Carolina taxable  
14 income for the 2003 taxable year become effective for taxable years beginning on or  
15 after January 1, 2004.

16 **SECTION 3.** Notwithstanding the time limitations of G.S. 105-266 and  
17 G.S. 105-266.1, a refund for an overpayment of tax resulting from a change in the law  
18 enacted by this act regarding the exclusion of gain on the sale or exchange of a principal  
19 residence by a member of the uniformed services or the Foreign Service of the United  
20 States is timely if a demand for the refund is filed on or before November 11, 2004.

21 **SECTION 4.** This act is effective when it becomes law.