

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

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**SENATE DRS55080-SVxz-1\* (12/06)**

Short Title: IRC Update.

(Public)

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Sponsors: Senators Clodfelter, Dalton, Hartsell, Hoyle, and Kerr.

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Referred to:

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A BILL TO BE ENTITLED

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

The General Assembly of North Carolina enacts:

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

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

...

(1b) Code. – The Internal Revenue Code as enacted as of ~~January 1, 2006,~~  
January 1, 2007, including any provisions enacted as of that date  
which become effective either before or after that date."

**SECTION 2.** Notwithstanding Section 1 of this act, any amendments to the  
Internal Revenue Code enacted after January 1, 2006, that increase North Carolina  
taxable income for the 2006 taxable year become effective for taxable years beginning  
on or after January 1, 2007.

**SECTION 3.** This act is effective when it becomes law.