

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009**

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**HOUSE BILL 914**

Short Title: Exempt Pay to Reservists from Income Tax. (Public)

Sponsors: Representatives Killian, Wainwright (Primary Sponsors); Dockham, Hall, Martin, Moore, and Neumann.

Referred to: Homeland Security, Military, and Veterans Affairs, if favorable, Finance.

April 1, 2009

A BILL TO BE ENTITLED

AN ACT TO EXEMPT FROM STATE INCOME TAX COMPENSATION PAID TO MEMBERS OF THE NORTH CAROLINA NATIONAL GUARD AND THE RESERVES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-134.6(b) is amended by adding a new subdivision to read:

"(b) Deductions. – The following deductions from taxable income shall be made in calculating North Carolina taxable income, to the extent each item is included in taxable income:

...

"(20) Compensation paid by the armed forces of the United States to an individual who is a member of either the North Carolina National Guard or one of the reserve components of the armed forces of the United States. In the case of a married couple filing a joint return, each spouse may qualify separately for the deduction allowed under this subdivision."

**SECTION 2.** This act is effective for taxable years beginning on or after January 1, 2009.

