

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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SENATE BILL 752

Short Title: Small Business Tax Relief. (Public)

Sponsors: Senators Lowe, Smith-Ingram, Foushee (Primary Sponsors); Bryant, Smith, Van Duyn, and Waddell.

Referred to: Finance

April 27, 2016

A BILL TO BE ENTITLED

AN ACT TO PROVIDE INCOME TAX RELIEF FOR SMALL BUSINESSES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-153.5(b) is amended by adding a new subdivision to read:

"(b) Other Deductions. – In calculating North Carolina taxable income, a taxpayer may deduct from the taxpayer's adjusted gross income any of the following items that are included in the taxpayer's adjusted gross income:

...

(10) An amount not to exceed fifty thousand dollars (\$50,000) of net business income the taxpayer receives during the taxable year if the taxpayer has not more than two hundred fifty thousand dollars (\$250,000) in gross receipts during the taxable year. In the case of a married couple filing a joint return where both spouses receive or incur net business income, the maximum dollar amounts apply separately to each spouse's net business income. For purposes of this subdivision, the term "business income" does not include income that is considered passive income under the Code.

SECTION 2. This act is effective for taxable years beginning on or after January 1, 2016.



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