

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

FILED SENATE  
Apr 6, 2021  
S.B. 625  
PRINCIPAL CLERK

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SENATE BILL DRS45357-MCxf-8

Short Title: A Tax Plan For A Just Recovery. (Public)

Sponsors: Senators Nickel and Murdock (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO ENACT A TAX PLAN FOR A JUST RECOVERY.  
3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** G.S. 105-153.7(a) reads as rewritten:

5 "(a) Tax. – A tax is imposed for each taxable year on the North Carolina taxable income  
6 of every individual. The tax shall be levied, collected, and paid annually. ~~The tax is five and~~  
7 ~~one quarter percent (5.25%) of the taxpayer's North Carolina taxable income annually and shall~~  
8 be computed at the following percentages of the taxpayer's North Carolina taxable income:

9 (1) For married, filing jointly, and surviving spouses:

<u>Over</u>	<u>Up To</u>	<u>Rate</u>
-0-	\$500,000	5.15%
\$500,000	\$1,000,000	6.50%
\$1,000,000	N/A	7%

14 (2) For heads of household:

<u>Over</u>	<u>Up To</u>	<u>Rate</u>
-0-	\$375,000	5.15%
\$375,000	\$750,000	6.50%
\$750,000	N/A	7%

19 (3) For single:

<u>Over</u>	<u>Up To</u>	<u>Rate</u>
-0-	\$250,000	5.15%
\$250,000	\$500,000	6.50%
\$500,000	N/A	7%

24 (4) For married, filing separately:

<u>Over</u>	<u>Up To</u>	<u>Rate</u>
-0-	\$250,000	5.15%
\$250,000	\$500,000	6.50%
\$500,000	N/A	7%."

29 **SECTION 2.** G.S. 105-130.3 reads as rewritten:

30 "§ 105-130.3. **Corporations.**

31 A tax is imposed on the State net income of every C Corporation doing business in this State  
32 at the rate of ~~two and one half percent (2.5%).~~ five and one-quarter percent (5.25%). An S  
33 Corporation is not subject to the tax levied in this section."

34 **SECTION 3.** This act is effective for taxable years beginning on or after January 1,  
35 2021.

