GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2001

H HOUSE BILL 1429

Short Title: Support Education/New Upper-Income Tax Bracket. (Public)

Sponsors: Representative Luebke.

Referred to: Finance.

May 9, 2001

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1 2	A BILL TO BE ENTITLED AN ACT TO SUPPORT PUBLIC EDUCATION BY RAISING REVENUE BY
3	CREATING A NEW TAX BRACKET FOR UPPER-INCOME INDIVIDUALS.
4	The General Assembly of North Carolina enacts:
5	SECTION 1. It is the intent of the General Assembly that any increase to the General Fund as a result of this act be applied to the State's educational priorities.
6 7	SECTION 2. G.S. 105-134.2(a) reads as rewritten:
8	"(a) A tax is imposed upon the North Carolina taxable income of every individual.
9	The tax shall be levied, collected, and paid annually and shall be computed at the
0	following percentages of the taxpayer's North Carolina taxable income.
11	(1) For married individuals who file a joint return under G.S. 105-152 and
	for surviving spouses, as defined in section 2(a) of the Code:
12 13	On the North Carolina taxable income up to twenty-one thousand two
14	hundred fifty dollars (\$21,250), six percent (6%).
15	On the amount over twenty-one thousand two hundred fifty dollars
16	(\$21,250) and up to one hundred thousand dollars (\$100,000), seven
17	percent (7%).
18	On the amount over one hundred thousand dollars
19	(\$100,000),(\$100,000) and up to two hundred thousand dollars
20	(\$200,000), seven and seventy-five one-hundredths percent (7.75%).
21	On the amount over two hundred thousand dollars (\$200,000), eight
	and one-half percent (8.5%).
23	(2) For heads of households, as defined in section 2(b) of the Code:
24	On the North Carolina taxable income up to seventeen thousand
22 23 24 25	dollars (\$17,000), six percent (6%).
26	On the amount over seventeen thousand dollars (\$17,000) and up to

eighty thousand dollars (\$80,000), seven percent (7%).

1 2		On the amount over eighty thousand dollars (\$80,000),(\$80,000) and up to one hundred sixty thousand dollars (\$160,000), seven and
3		seventy-five one-hundredths percent (7.75%).
4		On the amount over one hundred sixty thousand dollars (\$160,000),
5		eight and one-half percent (8.5%).
6	(3)	For unmarried individuals other than surviving spouses and heads of
7	(3)	households:
8		On the North Carolina taxable income up to twelve thousand seven
9		hundred fifty dollars (\$12,750), six percent (6%).
10		On the amount over twelve thousand seven hundred fifty dollars
11		(\$12,750) and up to sixty thousand dollars (\$60,000), seven percent
12		(7%).
13		On the amount over sixty thousand dollars $(\$60,000)$, $(\$60,000)$ and up
14		to one hundred twenty thousand dollars (\$120,000), seven and
15		seventy-five one-hundredths percent (7.75%).
16		*
17		On the amount over one hundred twenty thousand dollars (\$120,000),
	(4)	eight and one-half percent (8.5%).
18	(4)	For married individuals who do not file a joint return under G.S. 105-152:
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20		On the North Carolina taxable income up to ten thousand six hundred
21		twenty-five dollars (\$10,625), six percent (6%).
22		On the amount over ten thousand six hundred twenty-five dollars
23		(\$10,625) and up to fifty thousand dollars (\$50,000), seven percent
24		(7%).
25		On the amount over fifty thousand dollars (\$50,000),(\$50,000) and up
26		to one hundred thousand dollars (\$100,000), seven and seventy-five
27		one-hundredths percent (7.75%).
28		On the amount over one hundred thousand dollars (\$100,000), eight
29	OF OF	and one-half percent (8.5%)."
30		TION 3. This act is effective for taxable years beginning on or after
31	January 1, 2002.	