

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

**H**

**D**

**HOUSE DRH70044-LY-58 (1/31)**

Short Title: Military Personnel Income Tax Change. (Public)

---

Sponsors: Representatives Moore, Faison, Clary, and Pate (Primary Sponsors).

---

Referred to:

---

1                                   A BILL TO BE ENTITLED  
2 AN ACT TO EXEMPT FROM INCOME TAX CERTAIN COMPENSATION PAID  
3       TO MILITARY PERSONNEL OR THEIR SURVIVORS.  
4 The General Assembly of North Carolina enacts:  
5       **SECTION 1.** G.S. 105-134.6(b) is amended by adding a new subdivision to  
6 read:  
7       "(b) Deductions. – The following deductions from taxable income shall be made  
8 in calculating North Carolina taxable income, to the extent each item is included in  
9 taxable income:  
10        ...  
11        (19) Compensation that is paid by the armed forces of the United States to  
12        an individual who is on active duty as a full-time officer or enlisted  
13        member."  
14       **SECTION 2.** This act is effective for taxable years beginning on or after  
15 January 1, 2007.