

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

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**HOUSE BILL 184**

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

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Sponsors: Representatives Moore, Faison, Clary, Pate (Primary Sponsors); Barnhart, Blust, Brown, Cleveland, Frye, Grady, Gulley, Killian, Langdon, McGee, Neumann, Rapp, Steen, Thomas, Wainwright, Walker, and Wray.

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

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February 15, 2007

A BILL TO BE ENTITLED  
AN ACT TO EXEMPT FROM INCOME TAX CERTAIN COMPENSATION PAID  
TO MILITARY PERSONNEL OR THEIR SURVIVORS.

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:

...

(19) Compensation that is paid by the armed forces of the United States to an individual who is on active duty as a full-time officer or enlisted member."

**SECTION 2.** This act is effective for taxable years beginning on or after January 1, 2007.