

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011

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SENATE DRS55259-ME-89 (03/25)

Short Title: Tax Deduction for Sharing Health Care Costs.

(Public)

Sponsors: Senator Hunt.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO GRANT AN INCOME TAX DEDUCTION TO INDIVIDUALS WHO PAY  
3 THE MEDICAL EXPENSES OF OTHER INDIVIDUALS THROUGH A HEALTH  
4 CARE SHARING ORGANIZATION.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 105-134.6 reads as rewritten:

7 "**§ 105-134.6. Adjustments to taxable income.**

8 ...  
9 (b) Deductions. – The following deductions from taxable income shall be made in  
10 calculating North Carolina taxable income, to the extent each item is included in taxable  
11 income:

12 ...  
13 (21) Twenty percent (20%) of the amount paid by the taxpayer to another  
14 individual for the other individual's medical expenses, provided that the  
15 taxpayer made the payments as part of the taxpayer's and recipient's  
16 participation in a health care sharing organization. For purposes of this  
17 subdivision, a "health care sharing organization" means a nonprofit  
18 organization exempt from taxation under section 501(c) of the Code that acts  
19 as a clearinghouse by providing a health care cost-sharing arrangement for  
20 those members who have medical expenses and those members who share  
21 the burden of such expenses through their monetary contributions.

22 ...."

23 **SECTION 2.** This act is effective for taxable years beginning on or after January 1,  
24 2012.

