

FAILED



NORTH CAROLINA GENERAL ASSEMBLY
AMENDMENT
Senate Bill 257

AMENDMENT NO. A6
(to be filled in by
Principal Clerk)

S257-ASVxfr-19 [v.2]

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Amends Title [NO]
Fifth Edition

Date _____, 2025

Representative Butler

moves to amend the bill on page 516, lines 39-40, by inserting the following new section between the lines:

"REQUIRE PERSONAL INCOME TAX TRIGGER THRESHOLDS BE MET FOR CORPORATE INCOME TAX RATE REDUCTIONS

SECTION 44.1C.(a) G.S. 105-130.3 reads as rewritten:

"§ 105-130.3. Corporations.

(a) A tax is imposed on the State net income of every C Corporation doing business in this State. ~~State at the rate of two and one-quarter percent (2.25%). An S Corporation is not subject to the tax levied in this section. The tax is a percentage of the taxpayer's State net income computed as follows:~~

<u>Taxable Years Beginning</u>	<u>Tax</u>
In 2025	2.25%
In 2026	2%
In 2028	1%
After 2029	0%

(b) Rate Reduction Trigger. – Notwithstanding the tax rate set out in subsection (a) of this section, if total General Fund revenue in a fiscal year set out below exceeds the trigger amount indicated for that fiscal year, then the applicable tax rate for the indicated and subsequent tax years shall be the prior taxable year's rate decreased by one-quarter percentage point (0.25%) for the first rate reduction under this subsection and by one percent (1%) for each subsequent rate reduction under this subsection. For purposes of this subsection, total General Fund revenue is the amount stated in the final accounting of total General Fund Reverting Net Tax and Non-Tax Revenues for the fiscal year, as reported by the Office of State Controller in August following the end of the fiscal year.

<u>Fiscal Year</u>	<u>Trigger Amount</u>	<u>Taxable Year Beginning</u>
<u>FY 2025-2026</u>	<u>\$36,306,000,000</u>	<u>In 2027</u>
<u>FY 2026-2027</u>	<u>\$37,725,000,000</u>	<u>In 2028</u>
<u>FY 2027-2028</u>	<u>\$39,200,000,000</u>	<u>In 2029</u>
<u>FY 2028-2029</u>	<u>\$40,611,000,000</u>	<u>In 2030</u>
<u>FY 2029-2030</u>	<u>\$41,968,000,000</u>	<u>In 2031</u>
<u>FY 2030-2031</u>	<u>\$43,302,000,000</u>	<u>In 2032</u>
<u>FY 2031-2032</u>	<u>\$44,714,000,000</u>	<u>In 2033</u>



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1 FY 2032-2033 \$46,190,000,000 In 2034"
2 **SECTION 44.1C.** This section is effective for taxable years beginning on or after
3 January 1, 2025."

SIGNED _____
Amendment Sponsor

SIGNED _____
Committee Chair if Senate Committee Amendment

ADOPTED _____ FAILED _____ TABLED _____

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and vote information, is available in the
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