

1 thousand dollars (\$500,000). That portion of a qualifying donation that is the basis for a
2 credit allowed under this section is not eligible for deduction as a charitable contribution
3 under G.S. 105-130.9.

4 (b1) Individuals. – The aggregate amount of credit allowed to an individual in a
5 taxable year under this section for one or more qualified donations, whether made
6 directly or indirectly as owner of a pass-through entity, may not exceed two hundred
7 fifty thousand dollars (\$250,000). In the case of property owned by a married couple, if
8 both spouses are required to file North Carolina income tax returns, the credit allowed
9 by this section may be claimed only if the spouses file a joint return. If only one spouse
10 is required to file a North Carolina income tax return, that spouse may claim the credit
11 allowed by this section on a separate return.

12 (b2) Pass-Through Entities. – The aggregate amount of credit allowed to a
13 pass-through entity in a taxable year under this section for one or more qualified
14 donations, whether made directly or indirectly as owner of another pass-through entity,
15 may not exceed five hundred thousand dollars (\$500,000). Each individual who is an
16 owner of a pass-through entity is allowed as a credit an amount equal to the owner's
17 allocated share of the credit to which the pass-through entity is eligible under this
18 subsection, not to exceed two hundred fifty thousand dollars (\$250,000). Each
19 corporation that is an owner of a pass-through entity is allowed as a credit an amount
20 equal to the owner's allocated share of the credit to which the pass-through entity is
21 eligible under this subsection, not to exceed five hundred thousand dollars (\$500,000).

22 (c) Cap; Carryforward. – The credit allowed by this section may not exceed the
23 amount of tax imposed by Article 4 of this Chapter for the taxable year reduced by the
24 sum of all credits allowed, except payments of tax made by or on behalf of the taxpayer.
25 Any unused portion of this credit may be carried forward for the next succeeding five
26 years.

27 (d) Marshland. – In the case of marshland for which a claim has been filed
28 pursuant to G.S. 113-205, the offer of donation must be made before December 31,
29 2003, to qualify for the credit allowed by this section."

30 **SECTION 2.** G.S. 105-130.34 is repealed.

31 **SECTION 3.** G.S. 105-151.12 is repealed.

32 **SECTION 4.** This act is effective for taxable years beginning on or after
33 January 1, 2005.