

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

H.B. 846
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HOUSE PRINCIPAL CLERK

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HOUSE DRH10330-MC-138 (03/17)

Short Title: Small Business Tax Relief Act. (Public)

Sponsors: Representatives Saine, B. Brown, and Hanes (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE TAX RELIEF FOR SMALL BUSINESSES.

3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** G.S. 105-153.5(b) is amended by adding a new subdivision to read:

5 "(b) Other Deductions. – In calculating North Carolina taxable income, a taxpayer may
6 deduct from the taxpayer's adjusted gross income any of the following items that are included
7 in the taxpayer's adjusted gross income:

8 ...

9 (10) An amount not to exceed twenty-five thousand dollars (\$25,000) of net
10 business income the taxpayer receives during the taxable year if the taxpayer
11 has annual receipts, combined with the annual receipts of all related persons,
12 as defined in G.S. 105-163.010, of two hundred thousand dollars (\$200,000)
13 or less. In the case of a married couple filing a joint return where both
14 spouses receive or incur net business income, the maximum dollar amounts
15 apply separately to each spouse's net business income, not to exceed a total
16 of fifty thousand dollars (\$50,000). For purposes of this subdivision, the
17 term "business income" does not include income that is considered passive
18 income under the Code."

19 **SECTION 2.** This act is effective for taxable years beginning on or after January 1,
20 2015.

