

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2017**

**SESSION LAW 2018-119**  
**SENATE BILL 75**

AN ACT TO AMEND THE NORTH CAROLINA CONSTITUTION TO PROVIDE THAT  
THE MAXIMUM TAX RATE ON INCOMES CANNOT EXCEED SEVEN PERCENT.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 2 of Article V of the North Carolina Constitution reads as rewritten:

**"Sec. 2. State and local taxation.**

...  
(6) Income tax. The rate of tax on incomes shall not in any case exceed ~~ten~~ seven percent, and there shall be allowed personal exemptions and deductions so that only net incomes are taxed.  
...."

**SECTION 2.** The amendment set out in Section 1 of this act shall be submitted to the qualified voters of the State at a statewide general election to be held in November of 2018, which election shall be conducted under the laws then governing elections in the State. Ballots, voting systems, or both may be used in accordance with Chapter 163A of the General Statutes. The question to be used in the voting systems and ballots shall be:

"[ ] FOR [ ] AGAINST

Constitutional amendment to reduce the income tax rate in North Carolina to a maximum allowable rate of seven percent (7%)."

**SECTION 3.** If a majority of votes cast on the question are in favor of the amendment set out in Section 1 of this act, the Bipartisan State Board of Elections and Ethics Enforcement shall certify the amendment to the Secretary of State. The Secretary of State shall enroll the amendment so certified among the permanent records of that office.

**SECTION 4.** The constitutional amendment shall become effective upon such certification and apply to taxable years beginning on or after January 1, 2019.

**SECTION 5.** Except as otherwise provided, this act is effective when it becomes law.

In the General Assembly read three times and ratified this the 28<sup>th</sup> day of June, 2018.

s/ Daniel J. Forest  
President of the Senate

s/ Tim Moore  
Speaker of the House of Representatives

