

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009**

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**SENATE BILL 577\***

Short Title: IRC Update.

(Public)

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Sponsors: Senators Hoyle, Brunstetter and Hartsell.

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Referred to: Finance.

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March 12, 2009

A BILL TO BE ENTITLED  
AN ACT TO UPDATE THE REFERENCE TO THE INTERNAL REVENUE CODE USED  
IN DEFINING AND DETERMINING CERTAIN STATE TAX PROVISIONS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-228.90(b)(1b) reads as rewritten:

"(b) Definitions. – The following definitions apply in this Article:

...

(1b) Code. – The Internal Revenue Code as enacted as of ~~May 1, 2008~~, January 1, 2009, including any provisions enacted as of that date which become effective either before or after that date."

**SECTION 2.** Notwithstanding Section 1 of this act, any amendments to the Internal Revenue Code enacted after May 1, 2008, that increase North Carolina taxable income for the 2008 taxable year become effective for taxable years beginning on or after January 1, 2009.

**SECTION 3.** G.S. 105-134.6(c) reads as rewritten:

"(c) Additions. – The following additions to taxable income shall be made in calculating North Carolina taxable income, to the extent each item is not included in taxable income:

...

(11) The amount of the taxpayer's additional standard deduction for real property taxes under section 63(c)(1)(C) of the Code."

**SECTION 4.** This act is effective when it becomes law.

