

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE DRH60048-MC-122 (03/09)

Short Title: Exempt Military Retirement From Income Tax.

(Public)

Sponsors: Representative Iler.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO EXEMPT FROM INCOME TAX MILITARY RETIREMENT INCOME.
3 The General Assembly of North Carolina enacts:

4 SECTION 1. G.S. 105-134.6(b) reads as rewritten:

5 "(b) Deductions. – The following deductions from taxable income shall be made in
6 calculating North Carolina taxable income, to the extent each item is included in taxable
7 income:

8 ...

9 (5b) The amount received during the taxable year from one or more State, local,
10 or federal government retirement plans to the extent the amount is exempt
11 from tax under this Part pursuant to a court order in settlement of the
12 following cases: Bailey v. State, 92 CVS 10221, 94 CVS 6904, 95 CVS
13 6625, 95 CVS 8230; Emory v. State, 98 CVS 0738; and Patton v. State, 95
14 CVS 04346. Amounts deducted under this subdivision may not also be
15 deducted under subdivision (5c) or (6) of this subsection.

16 (5c) The amount received during the taxable year from the United States
17 government as retirement pay for a retired member of the Armed Forces of
18 the United States or as survivorship benefits for survivors of active duty or
19 retired members of the Armed Forces of the United States. Amounts
20 deducted under this subdivision may not also be deducted under subdivision
21 (5b) or (6) of this subsection.

22"

23 SECTION 2. This act is effective for taxable years beginning on or after January 1,
24 2011.

