

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023**

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SENATE BILL 803

Short Title: Homes of Hope Adoption Tax Credit. (Public)

Sponsors: Senator Smith (Primary Sponsor).

Referred to: Rules and Operations of the Senate

May 6, 2024

A BILL TO BE ENTITLED

AN ACT TO ENACT THE HOMES OF HOPE ADOPTION TAX CREDIT.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-151.32 is reenacted as it existed immediately before its repeal, is recodified as G.S. 105-153.11, and is rewritten to read:

"§ 105-153.11. Credit for adoption expenses.

(a) Credit. – An eligible individual is allowed a credit against the tax imposed by this Part. The amount of the credit per child is equal to two thousand dollars (\$2,000). For purposes of this section, an "eligible individual" includes any of the following:

- (1) An individual who is allowed a federal adoption tax credit under section 23 of the Code for the taxable year.
- (2) An individual who for more than 270 days of the taxable year provides a foster home for a child.
- (3) An individual who receives reimbursement for a child for unlicensed kinship foster care from the North Carolina Department of Health and Human Services for the provision of housing for at least nine months of the taxable year.

(b) Limitations. – The following limitations apply to a credit under this section:

- (1) A nonresident or part-year resident who claims the credit allowed by this section shall reduce the amount of the credit by multiplying it by the fraction calculated under G.S. 105-153.4(b) or (c), as appropriate.
- (2) For spouses who file separate returns for a taxable year in which they could have filed a joint return may each claim only one-half of the credit provided in this section that would have been allowed on a joint return."

SECTION 2. This act is effective for taxable years beginning on or after January 1, 2024.

