

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

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HOUSE BILL 513

Short Title: Expand Bank Deduction to All.

(Public)

Sponsors: Representative Buchanan.

Referred to: Finance.

March 7, 2001

A BILL TO BE ENTITLED

AN ACT TO ALLOW ALL TAXPAYERS TO TAKE THE SAME INTEREST
EXPENSE DEDUCTION CURRENTLY ALLOWED FOR BANKS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-130.5(a)(2) reads as rewritten:

"(a) The following additions to federal taxable income shall be made in
determining State net income:

...

(2) Interest paid in connection with ~~income~~ income, other than interest
income, exempt from taxation under this Part;"

SECTION 2. G.S. 105-134.6(b) is amended by adding a new subdivision to

read:

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

...

(16) Interest paid in connection with interest income exempt from taxation
under this Part."

SECTION 3. This act becomes effective for taxable years beginning on or
after January 1, 2001.