

NORTH CAROLINA GENERAL ASSEMBLY  
1973 SESSION

CHAPTER 1338  
SENATE BILL 1304

AN ACT TO REPEAL THE FIVE THOUSAND DOLLAR (\$5000) LIMITATION ON  
MEDICAL EXPENSE DEDUCTIONS FOR INCOME TAX PURPOSES.

The General Assembly of North Carolina enacts:

**Section 1.** G.S. 105-147(11) is hereby amended by rewriting the same to read as follows:

- "(11) a. Amounts expended by an individual during the year for medical care for himself, herself, his or her qualifying spouse and his or her dependents, to the extent that the total of such expenses actually paid in the income year and not compensated for by insurance or otherwise shall exceed five percent (5%) of his or her adjusted gross income.
- b. For the purpose of this subdivision:
1. The term 'medical care' means amounts paid for the diagnosis, cure, mitigation, treatment, or prevention of disease, or for the purpose of affecting any structure or function of the body; for transportation primarily for and essential to medical care; and for insurance against illness or accident other than insurance against loss of earnings.
  2. The term 'qualifying spouse' means a spouse who has not claimed a two thousand dollar (\$2000) personal exemption.
  3. The term 'dependents' means those individuals qualifying as dependents under the provisions of subdivision (5) of subsection (a) of G.S. 105-149, or those individuals for whom a dependency exemption is allowed under that subdivision."

**Sec. 2.** This act shall be effective with respect to taxable years beginning on and after January 1, 1974.

In the General Assembly read three times and ratified, this the 12th day of April, 1974.