

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 1386

Short Title: Retirement Pay Tax Exempt.

(Public)

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Sponsors: Representatives Craven; Perdue and Bowman.

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Referred to: Pensions & Retirement.

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April 26, 1989

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT ALL RETIREMENT BENEFITS SHALL BE  
EXEMPT FROM INCOME TAX.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-141(b)(8), (13), (14), (18), and (30) are repealed.

Sec. 2. G.S. 105-141(b) is amended by adding a new subdivision to read:

"(31) Amounts received as retirement benefits. As used in this subdivision, the term 'retirement benefits' means amounts paid to a former employee or the beneficiary of a former employee under a written retirement plan established by the employer to provide payments to an employee or the beneficiary of an employee after the end of the employee's employment with the employer where the right to receive the payments is based upon the employment relationship. With respect to a self-employed individual or the beneficiary of a self-employed individual, the term means amounts paid to the individual or beneficiary of the individual under a written retirement plan established by the individual to provide payments to the individual or the beneficiary of the individual after the end of the self-employment."

Sec. 3. This act does not affect the rights or liabilities of the State, a taxpayer, or other person arising under a statute amended or repealed by this act before its amendment or repeal; nor does it affect the right to any refund or credit of a tax that would otherwise have been available under the amended or repealed statute before its amendment or repeal.

Sec. 4. This act is effective for taxable years beginning on or after January 1, 1989.