

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 2164

Short Title: Restore Corporate Apportionment Formula.

(Public)

Sponsors: Representatives Barnes; and Fitch.

Referred to: Finance.

May 29, 1990

A BILL TO BE ENTITLED

AN ACT TO CHANGE THE FORMULA USED TO APPORTION THE INCOME OF MULTI-STATE CORPORATIONS TO THIS STATE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-130.4(i) reads as rewritten:

"(i) All business income of corporations other than public utilities and excluded corporations shall be apportioned to this State by multiplying the income by a fraction, the numerator of which is the property factor plus the payroll factor plus twice the sales factor, and the denominator of which is three. ~~four~~. ~~Provided, that where the sales factor does not exist, the denominator of the fraction shall be the number of existing factors and where the sales factor exists but the payroll factor or the property factor does not exist, the denominator of the fraction shall be the number of existing factors plus one. If one or more of these factors does not exist, the denominator of the fraction shall be the number of existing factors.~~"

Sec. 2. This act is effective for taxable years beginning on or after January 1, 1990.