

January 24, 2007

**S 7. REWARDING WORK TAX CREDIT.** Filed 1/24/07. *TO PROVIDE FOR A STATE-EARNED INCOME TAX CREDIT BY CREATING THE REWARDING WORK TAX CREDIT.* Enacts new GS 105-151.31 to create a credit against NC individual income tax equal to 5% of the amount of the earned income tax credit that the taxpayer is eligible for on his or her federal income tax return. If this credit exceeds the amount of the tax that the taxpayer would otherwise owe, then the taxpayer is entitled to a refund. Amends GS 105-160.3(b) to provide that this credit is not available to an estate or trust. Effective for taxable years beginning on or after January 1, 2007.

**Intro. by Hoyle.**

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