

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

H

D

HOUSE DRH10614-TDx-5 (02/12)

Short Title: Tax Credit for Hiring Unemployment Recipient.

(Public)

Sponsors: Representative Lewis.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO CREATE AN INCOME TAX CREDIT FOR HIRING UNEMPLOYMENT
3 RECIPIENTS.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. Part 1 of Article 4 of Chapter 105 of the General Statutes is amended
6 by adding a new section to read:

7 "**§ 105-130.49. Credit for hiring unemployment recipients.**

8 (a) Credit. – A taxpayer that hires an individual receiving unemployment benefits as
9 defined in Article 2 of Chapter 96 of the General Statutes at the time of hire to fill a full-time
10 position in this State and keeps that person as an employee for at least nine months is allowed a
11 credit for hiring that person. The amount of the credit is equal to the wages paid to the
12 disadvantaged worker during the taxable year up to a maximum of two thousand dollars
13 (\$2,000) per disadvantaged worker hired and kept by the taxpayer per year. The taxpayer shall
14 claim the credit with respect to a disadvantaged worker in the year in which the nine-month
15 period ends and the following year.

16 (b) Cap. – The credit allowed by this section may not exceed fifty percent (50%) of the
17 amount of the tax imposed by this Part for the taxable year reduced by the sum of all credits
18 allowable, except payments of tax made by or on behalf of the taxpayer. This limitation applies
19 to the cumulative amount of the credit, including carryforwards, claimed by the taxpayer under
20 this section for the taxable year. Any unused portion of the credit may be carried forward for
21 the succeeding five years.

22 (c) Sunset. – This section is repealed effective for taxable years beginning on or after
23 January 1, 2014."

24 SECTION 2. Part 2 of Article 4 of the General Statutes is amended by adding a
25 new section to read:

26 "**§ 105-151.33. Credit for unemployment recipients.**

27 (a) Credit. – A taxpayer that hires an individual receiving unemployment benefits as
28 defined in Article 2 of Chapter 96 of the General Statutes at the time of hire to fill a full-time
29 position in this State and keeps that person as an employee for at least nine months is allowed a
30 credit for hiring that person. The amount of the credit is equal to the wages paid to the
31 disadvantaged worker during the taxable year up to a maximum of two thousand dollars
32 (\$2,000) per disadvantaged worker hired and kept by the taxpayer per year. The taxpayer shall
33 claim the credit with respect to a disadvantaged worker in the year in which the nine-month
34 period ends and the following year.



1 (b) Cap. – The credit allowed by this section may not exceed fifty percent (50%) of the
2 amount of the tax imposed by this Part for the taxable year reduced by the sum of all credits
3 allowable, except payments of tax made by or on behalf of the taxpayer. This limitation applies
4 to the cumulative amount of the credit, including carryforwards, claimed by the taxpayer under
5 this section for the taxable year. Any unused portion of the credit may be carried forward for
6 the succeeding five years.

7 (c) Sunset. – This section is repealed effective for taxable years beginning on or after
8 January 1, 2014."

9 **SECTION 3.** This act is effective for taxable years beginning on or after January 1,
10 2009.