

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

S

D

SENATE DRS55275-MCx-106 (03/04)

Short Title: Eliminate Double-Weighted Sales Apportionment.

(Public)

Sponsors: Senator Mansfield.

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO MODIFY THE APPORTIONMENT FORMULA FOR INCOME TAX BY
3 ELIMINATING THE DOUBLE WEIGHTING OF THE SALES FACTOR.
4 The General Assembly of North Carolina enacts:
5 **SECTION 1.** G.S. 105-130.4(i) reads as rewritten:
6 "(i) All apportionable income of corporations other than public utilities, excluded
7 corporations, and qualified capital intensive corporations shall be apportioned to this State by
8 multiplying the income by a fraction, the numerator of which is the property factor plus the
9 payroll factor plus ~~twice~~ the sales factor, and the denominator of which is ~~four~~ three. If one of
10 the sales factor ~~the sales factor~~ factors does not exist, the denominator of the fraction is the number of existing
11 ~~factors and if the sales factor exists but the payroll factor or the property factor does not exist,~~
12 ~~the denominator of the fraction is the number of existing factors plus one.~~ factors.
13 **SECTION 2.** This act is effective for taxable years beginning on or after January 1,
14 2011.

