

# NC Senate PCS for H 998 Tax Reform Bill (Fifth Edition)

All North Carolinians, 2013 Income Level

## Compared to Current Law without state EITC (debate 7/1/2013)

2013 Income Level	Lowest 20%	Second 20%	Middle 20%	Fourth 20%	Next 15%	Next 4%	Top 1%
Income Range	Less than \$19,000	\$19,000 – \$32,000	\$32,000 – \$52,000	\$52,000 – \$84,000	\$84,000 – \$169,000	\$169,000 – \$393,000	\$393,000 – Or More
Average Income in Group	\$12,000	\$25,000	\$41,000	\$67,000	\$113,000	\$236,000	\$940,000

### Impact of Comprehensive Personal Income Tax Changes

Tax Change as % of Income	-0.3%	-0.1%	+0.0%	+0.1%	-0.2%	-0.5%	-1.2%
Average Tax Change	-35	-27	+12	+41	-187	-1,091	-10,231

% with Income Tax Increase	+6%	+29%	+36%	+44%	+31%	+19%	+4%
Avg. Tax Increase for those with increase	+133	+190	+397	+525	+811	+1,918	+2,743
Share of Tax Increase	+1%	+7%	+20%	+32%	+28%	+11%	+1%

% with Income Tax Cut	+34%	+48%	+50%	+51%	+66%	+80%	+95%
Avg. Tax Cut for Those w/ Cut	-125	-170	-263	-369	-663	-1,822	-10,923
Share of Tax Cut	+2%	+5%	+8%	+11%	+21%	+18%	+34%

### Impact of Eliminating the Corporate Income Tax

Tax Change as % of Income	-0.0%	-0.0%	-0.0%	-0.0%	-0.0%	-0.1%	-0.1%
Average Tax Change	-1	-2	-5	-9	-27	-137	-1,044

### Impact of Comprehensive State and Local Sales/Franchise/Priv Taxes (just those related to sales-

Tax Change as % of Income	+0.4%	+0.3%	+0.2%	+0.2%	+0.1%	+0.1%	+0.0%
Average Tax Change	+41	+79	+96	+121	+141	+171	+419

### COMBINED IMPACT OF PIT, SALES, CIT CHANGES

Tax Change as % of Income	+0.0%	+0.2%	+0.3%	+0.2%	-0.1%	-0.5%	-1.2%
Average Tax Change	+5	+51	+103	+152	-72	-1,058	-10,856