

INDIVIDUAL INCOME TAX FILERS AND LIABILITY - CALENDAR YEARS 2004 AND 2013
INDIVIDUAL INCOME TAX RATES- CALENDAR YEARS 2005-2014

North Carolina Taxable Income	Calendar Year 2013				Calendar Year 2004			
	Number of Returns	% of Total	Tax Liability	% of Total	Number of Returns	% of Total	Tax Liability	% of Total
0 to \$15,000.....	2,182,788	49.9%	\$ 404,465,194	4.0%	1,915,154	51.8%	\$ 428,487,839	5.6%
\$15,001 to \$25,000.....	550,013	12.6%	613,195,291	6.0%	503,980	13.6%	573,559,493	7.4%
\$25,001 to \$50,000.....	766,055	17.5%	1,706,089,376	16.6%	679,126	18.4%	1,505,488,492	19.5%
\$50,001 to \$75,000.....	367,582	8.4%	1,450,327,540	14.1%	298,366	8.1%	1,167,572,328	15.1%
\$75,001 to \$100,000.....	192,612	4.4%	1,100,181,634	10.7%	125,044	3.4%	712,487,586	9.2%
\$100,001 to \$200,000.....	226,521	5.2%	2,087,619,310	20.3%	124,333	3.3%	1,140,284,098	14.8%
\$200,001 and up.....	85,585	2.0%	2,909,800,464	28.3%	52,807	1.4%	2,193,551,650	28.4%
	<u>4,371,156</u>	<u>100.0%</u>	<u>\$ 10,271,678,809</u>	<u>100.0%</u>	<u>3,698,810</u>	<u>100.0%</u>	<u>\$ 7,721,431,486</u>	<u>100.0%</u>

Note: Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the State's revenue. Calendar year 2013 is the most recent year for which data are available.

Individual Income Tax Rates - Last 10 Years

Calendar Years 2005-2006				
Tax Year	Bracket 1	Bracket 2	Bracket 3	Bracket 4
Married - Joint:				
Taxable income	\$1-\$21,250	\$21,251-\$100,000	\$100,001-\$200,000	> \$200,000
Tax rate	6%	7%	7.75%	8.25%
Married - Separate:				
Taxable income	\$1-\$10,625	\$10,626-\$50,000	\$50,001-\$100,000	> \$100,000
Tax rate	6%	7%	7.75%	8.25%
Head of Household:				
Taxable income	\$1-\$17,000	\$17,001-\$80,000	\$80,001-\$160,000	> \$160,000
Tax rate	6%	7%	7.75%	8.25%
Single:				
Taxable income	\$1-\$12,750	\$12,751-\$60,000	\$60,001-\$120,000	> \$120,000
Tax rate	6%	7%	7.75%	8.25%
Calendar Year 2007				
Tax Year	Bracket 1	Bracket 2	Bracket 3	Bracket 4
Married - Joint:				
Taxable income	\$1-\$21,250	\$21,251-\$100,000	\$100,001-\$200,000	> \$200,000
Tax rate	6%	7%	7.75%	8%
Married - Separate:				
Taxable income	\$1-\$10,625	\$10,626-\$50,000	\$50,001-\$100,000	> \$100,000
Tax rate	6%	7%	7.75%	8%
Head of Household:				
Taxable income	\$1-\$17,000	\$17,001-\$80,000	\$80,001-\$160,000	> \$160,000
Tax rate	6%	7%	7.75%	8%
Single:				
Taxable income	\$1-\$12,750	\$12,751-\$60,000	\$60,001-\$120,000	> \$120,000
Tax rate	6%	7%	7.75%	8%

Temporary Rate Increase - Effective for the tax years January 1, 2001 through December 31, 2003, the General Assembly temporarily raised the highest individual income tax rate from 7.75% to 8.25%. This temporary increase was extended in subsequent budgets. In 2006-07, the General Assembly reduced the top rate from 8.25% to 8.0%, effective January 1, 2007.

Source: North Carolina Department of Revenue

Individual Income Tax Rates - Last 10 Years

Calendar Year 2008				
Tax Year	Bracket 1	Bracket 2	Bracket 3	
Married - Joint:				
Taxable income	\$1-\$21,250	\$21,251-\$100,000	> \$100,000	
Tax rate	6%	7%	7.75%	
Married - Separate:				
Taxable income	\$1-\$10,625	\$10,626-\$50,000	> \$50,000	
Tax rate	6%	7%	7.75%	
Head of Household:				
Taxable income	\$1-\$17,000	\$17,001-\$80,000	> \$80,000	
Tax rate	6%	7%	7.75%	
Single:				
Taxable income	\$1-\$12,750	\$12,751-\$60,000	> \$60,000	
Tax rate	6%	7%	7.75%	
Calendar Years 2009-2010				
Tax Year	Bracket 1	Bracket 2	Bracket 3	Bracket 3 Sur tax
Married - Joint:				
Taxable income	\$1-\$21,250	\$21,251-\$100,000	> \$100,000 up to \$250,000	7.75%
Tax rate	6%	7%	> 250,000	2%
				3%
Married - Separate:				
Taxable income	\$1-\$10,625	\$10,626-\$50,000	> \$50,000 up to \$125,000	7.75%
Tax rate	6%	7%	>125,000	2%
				3%
Head of Household:				
Taxable income	\$1-\$17,000	\$17,001-\$80,000	> \$80,000 up to \$200,000	7.75%
Tax rate	6%	7%	>200,000	2%
				3%
Single:				
Taxable income	\$1-\$12,750	\$12,751-\$60,000	> \$60,000 up to \$150,000	7.75%
Tax rate	6%	7%	>150,000	2%
				3%
Calendar Years 2011-2013				
Tax Year	Bracket 1	Bracket 2	Bracket 3	
Married - Joint:				
Taxable income	\$1-\$21,250	\$21,251-\$100,000	> \$100,000	
Tax rate	6%	7%	7.75%	
Married - Separate:				
Taxable income	\$1-\$10,625	\$10,626-\$50,000	> \$50,000	
Tax rate	6%	7%	7.75%	
Head of Household:				
Taxable income	\$1-\$17,000	\$17,001-\$80,000	> \$80,000	
Tax rate	6%	7%	7.75%	
Single:				
Taxable income	\$1-\$12,750	\$12,751-\$60,000	> \$60,000	
Tax rate	6%	7%	7.75%	
Calendar Year 2014				
Married - Joint, Married - Separate, Head of Household, and Single:				
Taxable income	\$0			
Tax rate	5.8%			

Income tax rate restrictions - The State Constitution (Article V, section 2(6)) places the following limitation on the income tax: "The rate of tax on incomes shall not in any case exceed ten percent, and there shall be allowed personal exemptions and deductions so that only net incomes are taxed."

Income Tax Surtax Expired - Effective from the tax year beginning on or after January 1, 2011 North Carolina no longer has an income tax surtax.

Income Tax Rate and Base Structure Changes - Effective for tax years beginning on or after January 1, 2014, SL 2013-316 (HB998), *An Act to Simplify the NC Tax Structure and to Reduce Individual and Business Tax Rates* (enacted July 23, 2013) replaces the multi-tiered bracket system with a flat rate structure.