

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2025

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HOUSE BILL 1073

Short Title: Fair Share for Public Schools Act. (Public)

Sponsors: Representatives Buansi, Prather, Baker, and R. Pierce (Primary Sponsors).  
*For a complete list of sponsors, refer to the North Carolina General Assembly web site.*

Referred to: Rules, Calendar, and Operations of the House

April 29, 2026

1 A BILL TO BE ENTITLED  
2 AN ACT TO IMPOSE A SEVEN PERCENT INCOME TAX ON INCOME THAT EXCEEDS  
3 ONE MILLION DOLLARS AND TO DISTRIBUTE THOSE PROCEEDS TO THE  
4 PUBLIC SCHOOL FUND.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 105-153.7 reads as rewritten:

7 "**§ 105-153.7. Individual income tax imposed.**

8 (a) Tax. – A tax is imposed for each taxable year on the North Carolina taxable income  
9 of every individual. The tax shall be levied, collected, and paid annually. Except as otherwise  
10 provided in ~~subsection (a1)~~ subsections (a1) and (a2) of this section, the tax is a percentage of  
11 the taxpayer's North Carolina taxable income computed as follows:

12 ...  
13 (a2) Rate on High Income. – A tax is imposed for each taxable year on the North Carolina  
14 taxable income of every individual that exceeds one million dollars (\$1,000,000) at a rate of  
15 seven percent (7%). The tax imposed under this subsection shall be levied, collected, and paid  
16 annually. The rate reduction trigger under subsection (a1) of this section shall not apply to the  
17 tax rate imposed under this subsection. Annually, the Secretary shall distribute the taxes collected  
18 under this subsection, less the Department of Revenue's allowance for administrative expenses  
19 associated therewith, to the State Public School Fund for allotment by the State Board of  
20 Education, on behalf of the counties, to local school administrative units on a per pupil basis in  
21 accordance with Article IX, Section 7(b) of the North Carolina Constitution. The Secretary may  
22 retain the Department of Revenue's cost of collection, not to exceed one hundred thousand dollars  
23 (\$100,000) a year, as reimbursement to the Department.

24 ...."

25 **SECTION 2.** This act is effective for taxable years beginning on or after January 1,  
26 2026.

