

percentage point (0.50%) or (ii) two and forty-nine hundredths percent (2.49%). For purposes of this subsection, total General Fund revenue is the amount stated in the final accounting of total General Fund Reverting Net Tax and Non-Tax Revenues for the fiscal year, as reported by the Office of State Controller in August following the end of the fiscal year.

Fiscal Year	Trigger Amount	Taxable Year Beginning
FY 2025-2026	\$33,042,000,000	In 2027
FY 2026-2027	\$34,100,000,000	In 2028
FY 2027-2028	\$34,760,000,000	In 2029
FY 2028-2029	\$35,750,000,000	In 2030
FY 2029-2030	\$36,510,000,000	In 2031
FY 2030-2031	\$38,000,000,000	In 2032
FY 2031-2032	\$38,500,000,000	In 2033
FY 2032-2033	\$39,000,000,000	In 2034

...."

SECTION 1.(b) Effective for taxable years beginning on or after January 1, 2029, G.S. 105-153.7, as amended by subsection (a) of this section, reads as rewritten:

"§ 105-153.7. Individual income tax imposed.

(a) Tax. – A tax is imposed for each taxable year on the North Carolina taxable income of every individual. The tax shall be levied, collected, and paid annually. ~~The~~ Except as otherwise provided in subsection (a1) of this section, the tax is four and one-quarter percent (4.25%) of the taxpayer's North Carolina taxable income.

(a1) Rate Reduction Trigger. – Notwithstanding the tax rate set out in subsection (a) of this section, if total General Fund revenue in a fiscal year set out below exceeds the trigger amount indicated for that fiscal year, then the applicable tax rate for the indicated and subsequent tax years shall be equal to the greater of (i) the prior taxable year's rate decreased by one-half percentage point (0.50%) or (ii) two and forty-nine hundredths percent (2.49%). For purposes of this subsection, total General Fund revenue is the amount stated in the final accounting of total General Fund Reverting Net Tax and Non-Tax Revenues for the fiscal year, as reported by the Office of State Controller in August following the end of the fiscal year.

<u>Fiscal Year</u>	<u>Trigger Amount</u>	<u>Taxable Year Beginning</u>
<u>FY 2027-2028</u>	<u>\$34,760,000,000</u>	<u>In 2029</u>
<u>FY 2028-2029</u>	<u>\$35,750,000,000</u>	<u>In 2030</u>
<u>FY 2029-2030</u>	<u>\$36,510,000,000</u>	<u>In 2031</u>
<u>FY 2030-2031</u>	<u>\$38,000,000,000</u>	<u>In 2032</u>
<u>FY 2031-2032</u>	<u>\$38,500,000,000</u>	<u>In 2033</u>
<u>FY 2032-2033</u>	<u>\$39,000,000,000</u>	<u>In 2034</u>

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SECTION 2. Except as otherwise provided, this act is effective when it becomes law.