

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2021

FILED SENATE  
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S.B. 901  
PRINCIPAL CLERK

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SENATE BILL DRS45576-MCf-246A

Short Title: Caregiver Tax Credit.

(Public)

Sponsors: Senators Mohammed and deViere (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO ENACT THE FAMILIES AND VETERANS CAREGIVER TAX CREDIT.

3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** Part 2 of Article 4 of Subchapter I of Chapter 105 of the General  
5 Statutes is amended by adding a new section to read:

6 "**§ 105-153.11. Credit for adult dependents.**

7 (a) Credit. – A taxpayer who (i) is allowed an exemption for a qualifying relative pursuant  
8 to section 152 of the Code and (ii) has an adjusted gross income less than the amount listed in  
9 the table below is allowed a credit under this section against the tax imposed by this Part for each  
10 qualifying relative for whom the taxpayer is allowed the federal exemption. The amount of the  
11 credit is equal to three thousand dollars (\$3,000) if the qualifying relative is a veteran of the  
12 Armed Forces of the United States and is one thousand five hundred dollars (\$1,500) for any  
13 other qualifying relative. The applicable adjusted gross income limit for a taxpayer is as follows:

| <u>Filing Status</u>                            | <u>AGI</u>       |
|---|------------------|
| <u>Married, filing jointly/surviving spouse</u> | <u>\$150,000</u> |
| <u>Head of Household</u>                        | <u>\$112,500</u> |
| <u>Single</u>                                   | <u>\$75,000</u>  |
| <u>Married, filing separately</u>               | <u>\$75,000.</u> |

23 (b) Limitations. – A nonresident or part-year resident who claims the credit allowed by  
24 this section shall reduce the amount of the credit by multiplying it by the fraction calculated under  
25 G.S. 105-134.5(b) or (c), as appropriate. The credit allowed under this section may not exceed  
26 the amount of tax imposed by this Part for the taxable year reduced by the sum of all credits  
27 allowable, except payments of tax made by or on behalf of the taxpayer."

28 **SECTION 2.** This act is effective for taxable years beginning on or after January 1,  
29 2022.



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