



CHAPTER 105
ARTICLE 4 - INCOME TAX

N.C.G.S. § 105-160.4.

Tax credits for income taxes paid to other states by estates and trusts.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	S.L. 2024-28, s. 1.1(a) — fifth act in the lineage	21 September 2026, 02:20 UTC	81b3801bed5a88b37dabf7c1 - 855b1298dec0f367234b7ffe - ccf79ad54496b4e4

- § 105-160.4(a)

If a fiduciary is required to pay income tax to this State for an estate or a trust, the fiduciary shall be allowed a credit against the tax imposed by this Part for income taxes imposed by and paid to another state or country on income derived from sources within that other state or country in accordance with the formula contained in subsection (b) and the requirements of subsection (c).
- § 105-160.4(b)

The fraction of the gross income for North Carolina income tax purposes that is derived from sources within and subject to income tax in another state or country shall be ascertained and the North Carolina income tax before credit under this section shall be multiplied by that fraction. The credit allowed shall be either the product thus calculated or the income tax actually paid the other state or country, whichever is smaller.
- § 105-160.4(c)

Receipts showing the payment of income taxes to another state or country and a true copy of the return upon the basis of which the taxes are assessed shall be filed with the Secretary at or before the time credit is claimed. If credit is claimed on account of a deficiency assessment, a true copy of the notice assessing or proposing to assess the deficiency, as well as a receipt showing the payment of the deficiency, shall be filed with the Secretary.
- § 105-160.4(d)

If any taxes paid to another state or country for which a fiduciary has been allowed a credit under this section are at any time credited or refunded to the fiduciary, a tax equal to that portion of the credit allowed for the taxes so credited or refunded shall

be due and payable from the fiduciary and shall be subject to the penalties and interest on delinquent payments provided in G.S. 105-236 and G.S. 105-241.21.

§ 105-160.4(e)

A resident beneficiary of an estate or trust who is taxed under the provisions of Part 2 of this Article on income from an estate or trust determined to be includable in the resident's gross income is allowed a credit against the tax imposed for income taxes paid by the fiduciary to another state or country on the income in accordance with the formula contained in subsection (b) of this section and the requirements of subsection (c) of this section; provided, that if any taxes paid to another state or country for which a beneficiary has been allowed credit under this section are at any time credited or refunded to the beneficiary, a tax equal to that portion of the credit allowed for the taxes so credited or refunded shall be due and payable from the beneficiary and shall be subject to the penalties and interest on delinquent payments provided in G.S. 105-236 and G.S. 105-241.21.

§ 105-160.4(f)

(Repealed effective for taxable years beginning on or after January 1, 2023) Fiduciaries and beneficiaries of estates and trusts who are shareholders of a taxed S Corporation are not allowed a credit under this section for taxes paid by the estates and trusts or by the taxed S Corporation to another state or country on income that is taxed to the taxed S Corporation. The taxed S Corporation is entitled to a credit under G.S. 105-153.9(a)(4) for all such taxes paid. For purposes of this subsection, the term "taxed S Corporation" is the same as defined in G.S. 105-131(b).

§ 105-160.4(g)

(Repealed effective for taxable years beginning on or after January 1, 2023) Fiduciaries and beneficiaries of estates and trusts who are partners of a taxed partnership are not allowed a credit under this section for taxes paid by the estates and trusts or by the taxed partnership to another state or country on income that is taxed to the taxed partnership. The taxed partnership is entitled to a credit under G.S. 105-153.9(a)(5) for all such taxes paid. For purposes of this subsection, the term "taxed partnership" is the same as defined in G.S. 105-153.3.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
5 ACTS

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.

	1989		2007		2024
	TICK HEIGHT = ACTS IN THAT YEAR		DASHED = RECODIFICATION, NOT AMENDMENT		
Nº	YEAR	ACT			CHARACTER
01	1989	c. 728, s. 1.38			ENACTED
02	1998	S.L. 1998-98, ss. 69, 71			AMENDED
03	2007	S.L. 2007-491, s. 44(1)b			AMENDED
04	2021	S.L. 2021-180, s. 42.5(k)			AMENDED
05	2024	S.L. 2024-28, s. 1.1(a)			AMENDED

APPARATUS II
6 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 105-236	(d)	"interest on delinquent payments provided in"
G.S. 105-241.21	(d)	"payments provided in G.S. 105-236 and"
G.S. 105-153.9(a)(4)	(f)	"is entitled to a credit under"
G.S. 105-131(b)	(f)	"is the same as defined in"
G.S. 105-153.9(a)(5)	(g)	"is entitled to a credit under"
G.S. 105-153.3	(g)	"is the same as defined in"

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 105-160.4 (2024).

PINPOINT

N.C. Gen. Stat. § 105-160.4(a) (2024).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

COLOPHON

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HISTORY PARENTHETICAL, AS PRINTED BY THE STATE

(1989, c. 728, s. 1.38; 1998-98, ss. 69, 71; 2007-491, s. 44(1)b; 2021-180, s. 42.5(k); 2024-28, s. 1.1(a).)

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