CHAPTER 142

ARTICLE 1 - GENERAL PROVISIONS

N.C.G.S. § 142-12.1.

Effect of federal taxation of interest income on state or local bonds on issuance thereof; continuation of state tax exemptions.

SOURCE	LAST AMENDMENT IN THIS TEXT	RETRIEVED	SOURCE FINGERPRINT
General Statutes of North Carolina, as published by the General Assembly	c. 41, s. 10 — second act in the lineage	21 September 2026, 04:17 UTC	2c31757ddc05f1f4993c8220 - 42ffa36460e8c8483ac3e7ce - a27c519a00e89efa

§ 142-12.1(a) It is hereby found, determined and declared that:

(1) From time to time bills have been introduced in the United States Congress providing that the interest on all or certain state and municipal bonds or debt obligations, whether issued by or on behalf of states or local governmental units, be subject to federal income taxation; and

(2) The Tax Reform Act of 1986 requires, in certain circumstances, the inclusion in the gross income of the recipient thereof of interest on bonds or obligations issued by or on behalf of certain state or local governmental units for purposes of federal income tax which heretofore would have been exempt from federal income taxation.

§ 142-12.1(b) Nothing in any act, general, special or private, shall be deemed to limit or restrict the right of the State or any agency or instrumentality thereof, or The University of North Carolina or any agency or instrumentality thereof, or any county, city, town, special district, authority or other political subdivision or local governmental unit or any agency or instrumentality thereof, to issue, or have issued on its behalf, bonds or obligations the interest income on which is or may be subject to federal income taxation.

§ 142-12.1(c)

The interest on any of these bonds or obligations shall maintain its existing exemption from State income taxation, or other taxation, if any, notwithstanding that the interest may be or become subject to federal income taxation as a result of legislative action by the federal government.

§ 142-12.1(d) If the provisions of this section are inconsistent with the provisions of any other laws, the provisions of this section shall be controlling.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I

2 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.

TICK HEIGHT = ACTS IN THAT YEAR DASHED = RECODIFICATION, NOT AMENDMENT

№	YEAR	ACT	CHARACTER
01	1987	c. 587, ss. 1-4	ENACTED
02	1995	c. 41, s. 10	AMENDED

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 142-12.1 (1995).

PINPOINT

N.C. Gen. Stat. § 142-12.1(a) (1995).

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.

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COLOPHON

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HISTORY PARENTHETICAL, AS PRINTED BY THE STATE

(1987, c. 587, ss. 1-4; 1995, c. 41, s. 10.)

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