

17 NCAC 06B .4004 TAX CREDITS

If part of the S corporation's income is earned within and taxed by another state, either to the individual or to the corporation, a resident shareholder is entitled to a tax credit on the individual or the estates and trusts income tax return for the share of the tax paid to the other state. A shareholder claiming the tax credit must attach a schedule to the income tax return reflecting the total amount of tax paid to the State by the S corporation, and explaining how the shareholder's pro rata share of the tax was determined. Nonresident shareholders are not allowed credit for tax paid to another state.

*History Note: Authority G.S. 105-131.8; 105-262;
Eff. June 1, 1990;
Amended Eff. July 1, 1999; June 1, 1993;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. July 26, 2015.*