TABLE 1A. TAX YEAR 2014 INDIVIDUAL INCOME TAX CALCULATION BY INCOME LEVEL BY DEDUCTION TYPE

| | ALL RETURNS: STANDARD DEDUCTION Number D-400 Filing Financial Statistics: Modifications Standard Deduction††: Computed NC Taxable Income NCTI | | | | | | | | | | | | | | | | | | | | | | |
|--|---|------------------|------------------------------------|-----------------------------|--------------------|--------------------------|-----------------------------------|-------------------|--------------------------|------------------------------|--------------------|------------------------------------|--------------------------------|------------------|-----------------------------------|---------------------------------|----------------|----------------|------------------------------|--------------------------|------------------------------|------------------|----------------|
| | Nun | nber | D-400 Filing Financial Statistics: | | | | | | Modifications | | | Standard Deduction ^{††} : | | | Computed NC Taxable Income | | | | | | | Aver- | |
| | of | of | | Balance Tax Due/Overpayment | | | Federal | | to | | | as a | | | [includes ret | urns with deficit] | | as | | | Net | age | 1 |
| | Retu | Returns | | Balance Tax Due Over | | payment | AGI | Aver- Federal | | | % | | | | | Effec- | а | | | Tax | Net Tax | i | |
| | File | Filed: | | [Net Tax† | | [Net Tax† | [includes | age | AG | I: | | of | | Aver- | | | tive | % | Computed | | Liability | Per | Effec- |
| | | No | Number | > Pre- | Number | < Pre- | returns | Federal | | | Number | All Re- | | age | [before | [after | Pro- | of | Gross | Total | [after | Return | tive |
| | Tax | Tax | of | payments] | of | payments] | with | AGI | | | of | turns | Deduction | SD | residency | residency | ration | Federal | Tax | Credits | application | [All SD | Tax |
| | Lia- | Lia- | Returns | Amount | Returns | Amount | deficit] | Value | Additions | Deductions | Returns | Filed | Amount | Value | proration] | proration] | Factor | AGI | Liability | Taken | of credits] | Returns] | Rate††† |
| Income Level | bility | bility | Filed | [\$] | Filed | [\$] | [\$] | [\$] | [\$] | [\$] | Filed | [%] | [\$] | [\$] | [\$] | [\$] | [%] | [%] | [\$] | [\$] | [\$] | [\$] | [%] |
| NCTI Level | | | | | | | | | | | | AXABL | LE INCOME | | | | | | | | | | |
| No Taxable Income | - | 751,602 | 2,002 | 260,331 | 444,182 | 82,303,563 | 6,572,304,990 | 8,744 | 345,249,024 | 3,744,649,583 | 751,602 | 90.4% | 7,593,783,000 | 10,103 | (4,420,878,570) | (5,470,293,490) | 123.7% | -67.3% | - | - | - | - | - |
| \$ 1 - 2,000 | 159,209 | 54,764 | 57,933 | 2,466,305 | 140,260 | 27,927,148 | 4,347,973,159 | 20,320 | 19,851,053 | 316,225,837 | 213,973 | 90.6% | 2,133,105,000 | 9,969 | 1,918,493,375 | 209,996,511 | 10.9% | 44.1% | 12,179,900 | 3,441,541 | 8,738,359 | 40.84 | 4.16% |
| 2,001 - 4,000 | 156,922 | 30,925 | 59,417 | 6,397,401 | 118,516 | 26,947,186 | 3,817,284,166 | 20,321 | 13,216,822 | 275,241,374 | 187,847 | | 1,891,792,500 | 10,071 | 1,663,467,114 | 557,838,523 | 33.5% | 43.6% | 32,354,884 | 8,443,349 | 23,911,535 | 127.29 | 4.29% |
| 4,001 - 6,000 | 156,796 | 11,137 | 62,845 | 9,715,792 | 100,390 | 25,495,974 | 3,608,288,449 | 21,486 | 17,920,405 | 255,574,357 | 167,933 | | | 10,167 | 1,663,259,497 | 835,666,054 | 50.2% | 46.1% | 48,468,934 | 10,123,848 | 38,345,086 | 228.34 | 4.59% |
| 6,001 - 10,000 | 289,363 | 4,036 | 121,040 | 25,046,810 | 167,786 | 46,404,502 | 6,948,545,228 | 23,683 | 20,936,379 | 473,184,726 | 293,399 | 95.0% | 3,029,733,000 | 10,326 | 3,466,563,881 | 2,332,551,284 | 67.3% | 49.9% | 135,288,212 | 19,879,578 | 115,408,634 | 393.35 | 4.95% |
| 10,001 - 10,625 | 42,263 | 167 | 18,146 | 4,406,814 | 23,683 | 6,704,908 | 1,092,606,691 | 25,751 | 2,190,334 | 71,784,714 | 42,430 | 94.9% | | 10,420 | 580,911,311 | 437,542,962 | 75.3% | 53.2% | 25,377,482 | 2,977,390 | 22,400,092 | 527.93 | 5.12% |
| 10,626 - 12,750 | 138,390 | 375 | 60,096 | 15,572,667 | 76,530 | 22,128,934 | 3,720,387,529 | 26,811 | 8,348,000 | 242,832,622 | 138,765 | | | 10,460 | 2,034,393,407 | 1,620,469,691 | 79.7% | 54.7% | 93,987,281 | 9,855,639 | 84,131,642 | 606.29 | 5.19% |
| 12,751 - 15,000 | 139,263 | 347 | 61,459 | 16,954,044 | 75,680 | 22,700,231 | 4,052,701,165 | 29,029 | 8,425,796 | 265,099,170 | 139,610 | 94.5% | | 10,537 | 2,324,901,291 | 1,935,429,201 | 83.2% | 57.4% | 112,255,142 | 10,201,790 | 102,053,352 | 730.99 | 5.27% |
| 15,001 - 17,000 | 115,699 | 273 | 51,798 | 15,331,348 | 62,012 | 18,948,202 | 3,626,020,585 | 31,266 | 7,041,553 | 241,808,429 | 115,972 | 94.3% | | 10,627 | 2,158,810,209 | 1,854,282,196 | 85.9% | 59.5% | 107,548,456 | 8,662,401 | 98,886,055 | 852.67 | 5.33% |
| 17,001 - 20,000 | 161,052 | 394 | 73,518 | 22,974,962 | 84,799 | 26,401,709 | 5,504,726,641 | 34,096 | 10,737,001 | 369,974,293 | 161,446 | 93.8% | | 10,684 | 3,420,625,849 | 2,982,150,321 | 87.2% | 62.1% | 172,964,863 | 12,310,919 | 160,653,944 | 995.09 | 5.39% |
| 20,001 - 21,250 | 62,899 | 142 | 29,482 | 9,619,502 | 32,290 | 10,014,169 | 2,299,911,031 | 36,483 | 5,194,208 | 158,776,288 | | 93.3% | | | 1,469,792,951 | 1,300,014,472 | 88.4% | 63.9% | 75,400,838 | 4,401,592 | 70,999,246 | 1,126.24 | 5.46% |
| 21,251 - 25,000 | 172,939 | 400 | 82,443 | 27,847,018 | 87,423 | 27,005,568 | 6,767,135,461 | 39,040 | 18,663,154 | 476,003,665 | 173,339 | 92.6% | | | 4,449,905,950 | 4,001,574,389 | 89.9% | 65.8% | 232,091,670 | 12,094,228 | 219,997,442 | 1,269.17 | 5.50% |
| 25,001 - 30,000 | 194,754 | 415 | 96,199 | 34,912,789 | 95,378 | 30,376,673 | 8,598,840,893 | 44,058 | 16,681,150 | 640,903,796 | 195,169 | 90.9% | | 10,856 | 5,855,821,747 | 5,351,496,852 | 91.4% | 68.1% | 310,387,270 | 13,061,632 | 297,325,638 | 1,523.43 | 5.56% |
| 30,001 - 40,000 | 291,237 | 707 | 148,369 | 61,669,644 | 139,090 | 46,963,463 | 15,278,959,057 | 52,335 | 33,475,224 | 1,123,941,956 | 291,944 | 88.0% | | 11,255 | 10,902,719,825 | 10,130,141,777 | 92.9% | 71.4% | 587,548,235 | 21,937,459 | 565,610,776 | 1,937.39 | 5.58% |
| 40,001 - 50,000 | 207,469 | 507 | 107,165 | 52,385,346 | 98,236 | 36,580,523 | 13,169,828,053 | 63,324 | 42,731,798 | 878,597,008 | 207,976 | | | 11,986 | 9,841,064,843 | 9,301,648,019 | 94.5% | 74.7% | 539,495,649 | 19,053,880 | 520,441,769 | 2,502.41 | 5.60% |
| 50,001 - 60,000 | 153,899 | 392 | 81,033 | 45,520,005 | 71,745 | 28,351,529 | 11,398,171,682 | 73,875 | 30,785,524 | 652,553,378 | 154,291 | 82.1% | | 12,720 | 8,813,775,328 | 8,450,226,691 | 95.9% | 77.3% | 490,113,385 | 16,981,519 | 473,131,866 | 3,066.49 | 5.60% |
| 60,001 - 75,000 | 165,586 | 429 | 90,286 | 56,828,254 | 74,456 | 31,614,709 | 14,395,997,876 | 86,715 | 38,650,248 | 681,104,960 | , | 78.9% | , ,. , | 13,385 | 11,531,501,664 | 11,127,253,937 | 96.5% | 80.1% | 645,380,780 | 22,554,278 | 622,826,502 | 3,751.63 | 5.60% |
| 75,001 - 80,000 | 42,842 | 94 252 | 24,014 | 16,497,943 | 18,652 | 8,434,555 | 4,174,768,173 | 97,232 | 12,646,820 | 172,620,968 | · · · · | 76.3% | | 13,740 | 3,424,839,526 | 3,325,151,442 | 97.1% | 82.0% | 192,858,712 | 6,686,732 | 186,171,980 | 4,336.03 | 5.60% |
| 80,001 - 100,000 | 123,030 | 253 | 75,843 | 58,208,966 | 46,617 | 23,539,953 | 13,456,377,421 | 109,150 | 47,752,431 | 499,441,629 | 123,283 | | | · · | 11,284,891,723 | 10,979,140,772 | 97.3% | 83.9% | 636,790,355 | 16,005,482 | 620,784,873 | 5,035.45 | 5.65% |
| 100,001 - 120,000 | 69,197 | 137 | 44,469 | 41,223,914 | 24,393 | 15,582,693 | 8,997,390,924 | 129,769 | 41,327,273 | 298,653,687 | 69,334 | 65.2% | | 14,161 | 7,758,199,010 | 7,560,115,158 | 97.4% | 86.2% | 438,486,914 | 10,539,421 | 427,947,493 | 6,172.26 | 5.66% |
| 120,001 - 160,000 | 64,642 | 151 | 43,224 | 53,351,397 | 21,144 | 18,703,780 | 10,265,645,077 | 158,438 | 79,207,656 | 311,055,982 | | 55.9% | | 14,237 | 9,111,355,251 | 8,862,785,175 | 97.3% | 88.8% | 514,041,595 | 13,996,817 | 500,044,778 | 7,717.57 | 5.64% |
| 160,001 - 200,000 | 26,030 | 68 136 | 17,747 | 31,006,693 | 8,159 | 10,786,336 | 5,194,060,792 | 199,021 | 49,956,814 | 142,728,505 | | 45.3% | | 14,278 | 4,728,650,101 | 4,625,525,051 | 97.8% | 91.0% | 268,280,479 | 8,128,913 | 260,151,566 | 9,968.26 | 5.62% |
| 200,001 or more TOTAL | 32,501 2,965,982 | | 20,282 1,428,810 | 91,944,004 700,141,950 | 12,102 | 48,406,839 | 12,323,598,141 169,611,523,182 | 377,596 | 281,454,996 | 281,919,788 | | 28.1% | 462,157,500 | 14,161 | 11,860,975,849 115,844,041,130 | 11,489,273,527 | 96.9% 89.6% | 96.2% 68.3% | 666,377,900 6,337,678,936 | 45,568,330 | 620,809,570 6,040,772,198 | 19,021.65 | 5.40% 5.53% |
| - | 2,905,982 | 057,051 | 1,420,010 | /00,141,950 | 2,023,525 | 042,323,148 | 109,011,525,182 | 44,350 | 1,152,443,003 | , , , | 1 1 | | 42,545,249,000 STED GROSS I | , | , , , | 105,799,980,515 | 89.0% | 00.3% | 0,557,078,950 | 290,900,738 | 0,040,772,198 | 1,5/9.// | 5.53% |
| FAGI Level | | 48.4001 | 2/2 | 211 822 | 10.050 | 10 080 107 | (2.002 = 12.22.0 | (00.153) | 240.038.234 | | | | | | | | 50 50/ | 10/ 00/ | (20.0/2 | 20.024 | (10.100 | 10.05 | 0.020/ |
| Non-Positive AGI | 255 | | 362 | 311,732 | 12,073 | | (3,803,742,326) | (80,172) | 349,037,236 | 94,665,180 | 47,445 | | · · · | 10,343 | (4,040,104,270) | | 58.7% | 106.2% | 639,262 | 28,834 | 610,428 | 12.87 | -0.02% |
| \$ 1 - 3,999 | 240 | 204,717 | 558 | 178,811 | 120,540 | 7,503,962 | 453,914,603 | 2,215 | 10,209,188 | 10,090,493 | 204,957 | 95.0% | 1,713,228,000 | 8,359 | (1,259,194,702) | (1,235,703,772) | 98.1% | -277.4% | 203,559 | 4,536 | 199,023 | 0.97 | 0.04% |
| 4,000 - 9,999 | 115,758 | 297,089 | 33,220 | 2,202,078 | 300,425 | 39,885,923 | 2,948,868,847 | 7,143 | 18,388,710 | 50,113,455 | 412,847 | 98.5% | 3,679,243,500 | 8,912 | (762,099,398) | (747,095,544) | 98.0% | -25.8% | 9,172,304 | 751,840 | 8,420,464 | 20.40 | 0.29% |
| 10,000 - 14,999 | 224,488 | 150,195 | 98,537 121,996 | 14,110,534 | 223,942 | 44,483,454 | 4,687,860,113 | 12,512 | 12,868,347 | 126,813,942 | | 98.1% | 3,665,403,000 | 9,783 | 908,511,518 | 866,285,140 | 95.4% | 19.4% 37.9% | 63,303,697 130,288,703 | 7,924,499 21,573,540 | 55,379,198 | 147.80 320.63 | 1.18% |
| 15,000 - 19,999 | 288,965 | 50,100 | , | 22,058,383 | 193,020 | 51,371,037 | 5,910,275,444 | 17,431 | 14,737,812 | 218,690,892 | · · · | 97.6% | 3,464,247,000 | 10,217 | 2,242,075,363 | 2,146,754,209 | 95.7% | | | | 108,715,163 | | 1.84% 2.50% |
| 20,000 - 24,999 | 284,376 256,840 | 16,527 12,143 | 122,049 113,504 | 27,178,841 29,313,030 | 163,816 142,382 | 47,629,573 43,011,868 | 6,756,003,898 7,383,851,780 | 22,452 27,451 | 15,692,808 14,940,821 | 293,628,925 364,563,334 | 300,903 268,983 | 97.0% 96.0% | | 10,421 10,583 | 3,342,226,282 4,187,673,267 | 3,200,787,650 4,012,307,225 | 95.8% 95.8% | 49.5% 56.7% | 190,989,099 237,342,802 | 22,314,005 21,208,859 | 168,675,094 216,133,943 | 560.56 803.52 | 2.50% |
| 25,000 - 29,999 30,000 - 39,999 | 410.524 | 12,145 | 113,504 | 29,313,030 56,970,767 | 220.305 | 68.156.333 | 14,920,790,580 | 27,451 34.691 | 27,398,167 | 364,563,534 866,509,092 | 430.110 | 90.0% 94.0% | 2,846,556,000 4,651,386,000 | | 4,187,673,267 9,430,293,655 | 4,012,307,225 9,000.058,351 | 95.8% 95.4% | 63.2% | 529.401.353 | 32,547,113 | 496.854.240 | 1.155.18 | 2.93% 3.33% |
| 40,000 - 49,999 | 285,306 | 19,586 | 190,269 | 51,673,047 | 220,305 146,748 | ,, | 13,400,897,193 | 44,722 | 27,398,107 30,380,709 | 1,019,246,711 | 299,652 | 94.0% 89.9% | | 10,814 | 9,028,338,692 | 8,542,761,482 | 95.4% 94.6% | 67.4% | 529,401,555 | 32,547,115 21,822,451 | 496,854,240 | 1,155.18 | 3.57% |
| 50,000 - 59,999 | 285,500 | 14,340 | 107,509 | 47,682,811 | 140,748 | | 12,393,502,230 | 54,815 | 32,729,589 | 1,165,478,498 | 233,032 | | | 12,003 | 8,546,908,321 | 8,009,137,685 | 93.7% | 69.0% | 468,460,389 | 18,416,852 | 478,827,739 | 1,990.50 | 3.63% |
| 60.000 - 69.999 | 172.179 | 8,334 | 87,367 | 44,421,730 | 86,797 | | 11,704,589,908 | 54,813 64,841 | 31,449,633 | 1,103,478,498 | 180.513 | 84.3% | | 12,003 | 8,252,427,845 | 7,680,308,435 | 93.1% | 70.5% | 448,313,133 | 16,410,832 | 431,836,040 | 2.392.27 | 3.69% |
| 70.000 - 79.999 | 1/2,1/9 | 6,334 6,191 | 87,367 74,746 | 44,421,730 | 69.615 | | 11,147,835,720 | 74.831 | 31,449,633 | 1,179,848,896 | 148,973 | 84.5% 82.6% | 1,990,491,000 | 12,762 | 8,032,373,395 | 7,080,508,455 | 93.1% 92.7% | 70.5% | 433,915,228 | 15,712,631 | 431,836,040 | 2,392.27 | 3.75% |
| 80,000 - 89,999 | 142,782 | 4,757 | 63,989 | 39,197,721 | 55,490 | · · · · | 10,437,642,548 | 84,829 | 30,095,454 | 1,092,185,593 | 123,043 | | | 13,747 | 7,684,123,909 | 7,110,178,925 | 92.7% 92.5% | 73.6% | 413,933,387 | 13,890,699 | 410,202,397 | 3,251.24 | 3.83% |
| 90,000 - 99,999 90,000 - 99,999 | 96,418 | 4,757 | 53,030 | 35,658,462 | 55,490 44,271 | 20,028,147 | | 84,829 94,816 | 28,382,689 | 976,286,601 | 123,043 | 80.4% 77.9% | | 13,747 | 7,084,125,909 | 6,575,021,633 | 92.5% 92.2% | 75.2% | 382,514,847 | 13,890,699 | 369,729,838 | 3,251.24 | 3.85% |
| 100.000 - 149.999 | 233,685 | 7,043 | 53,030 145,170 | 35,058,402 121,742,219 | 44,271 89,672 | | 9,484,920,047 28,746,827,398 | 94,816 119,416 | 116,257,291 | 2,510,359,230 | | 68.1% | | 14,015 | 22,927,211,460 | 20,869,181,265 | 92.2% 91.0% | 79.8% | 1,211,983,867 | 27,503,615 | 1,184,480,252 | 4,920.41 | 3.90% 4.12% |
| 150,000 - 199,999 | 233,085 | 2.099 | 43,911 | 57.713.581 | 23.486 | · · · · | 28,746,827,598 11.831.345.520 | 119,416 | 69.616.204 | 2,510,559,250 754,072,414 | 69,445 | | 5,425,514,000 993,543,000 | 14,230 | 10.153.346.310 | 8,896,736,293 | 91.0% 87.6% | 79.8% 85.8% | 516,164,327 | 27,505,615 | 501.966.445 | 7.228.26 | 4.12% |
| 200,000 - 499,999 | 47,266 | 2,099 | 29,436 | 57,715,581 77,915,728 | 25,480 | , , . | 13,503,086,171 | 272,773 | 156,117,086 | 533,445,780 | 49,503 | 32.6% | 702,003,000 | 14,307 | 12,423,754,477 | 8,896,756,295 10,049,140,551 | 80.9% | 92.0% | 582,943,768 | 24,791,006 | 558,152,762 | , | 4.13% |
| 200,000 - 499,999 500,000 - 999,999 | 4,472 | 2,237 | 29,430 | 15,768,643 | 2,330 | 12,213,600 | 3,251,964,641 | 668.029 | 69,933,354 | 535,445,780 92,006,758 | | 52.0% 16.0% | · · · | 13,643 | 3,163,477,237 | 2,012,550,722 | 63.6% | 92.0% 97.3% | 582,945,768 116,731,265 | 24,791,006 9,950,016 | 106,781,249 | | 4.13% 3.28% |
| 1.000.000 or more | 1,752 | 232 | 737 | 14,213,584 | 2,330 | 11,263,336 | 4.451.088.867 | 2.243.492 | 93.485.076 | 70,976,307 | | 8.1% | 25,884,000 | 13,045 | 4.447.713.636 | 1.736.685.610 | 39.0% | 99.9% | 100.727.756 | 15.006.258 | 85.721.498 | | 1.93% |
| TOTAL | 2,965,982 | - | 1,428,810 | 700,141,950 | , | | 4,431,088,807 | , ., . | , , | 12,574,676,715 | | | | | 115,844,041,130 | , , , | 89.6% | 68.3% | 6,337,678,936 | 296,906,738 | 6,040,772,198 | 1,579.77 | 3.56% |
| | , , | , | , , | , , | , , | , , | , , , | / | , , , | , , , | 1 1 | | , , , | , | , , , | ms processed w | | | , , , | , , | .,,,,,,,,,,, | -, | |
| 500100.20141 | | | | Statistical | , annual IC | s are comple | | | | 124 - J) J - 4- 4h - | | | D-400, D-400 5 | | | ino processeu w | | - Sic uyi | and mich all | • | | | |

tax system during 2015; the extract is a composite database consisting of both audited and unaudited (edited and unedited) data that is subject to and may include inconsistencies resultant of taxpayer and/or processing error.

Number of returns filed with no tax liability=count of returns with \$0 tax liability after application of tax credits

†Net Tax=Computed net tax liability (after application of tax credits) plus consumer use tax liability

SL 2013-316, (HB998), An Act to Simplify the NC Tax Structure and to Reduce Individual and Business Tax Rates (enacted July 23, 2013) establishes a flat rate structure [5.8% rate for tax year 2014] to replace the multitiered bracket system (utilized tax rates of 6%, 7%, and 7.75% with breaking points delineated according to filing status and taxable income); increases the NC standard deduction amount; redefines and limits allowable itemized deductions; eliminates the personal exemption allowance provision; increases the allowable child tax credit for certain taxpavers; and either eliminates or allows to sunset other tax credits applicable to the personal income tax.

the alculating NC taxable income, a taxpaver may deduct either the allowable NC standard deduction amount based on filing status or the itemized deductions amount allowable for NC tax purposes.

++Basic standard deduction allowances vary according to filing status: S=\$7,500; MFJ/SS=\$15,000; MFS=\$7,500; and HH=\$12,000.

Claiming itemized deductions on the federal return 1040 Sch A is a prerequisite for claiming itemized deductions on the NC D-400 Sch S return. Allowable itemized deductions provisions for NC tax purposes (no longer identical to allowable federal itemized deductions) include deductions for the following: qualified home mortgage interest and real estate property taxes (the sum of these deductions not to exceed \$20,000), repayment of claim of right income, and

charitable contributions as allowed under the Code. NC does not allow a deduction for state and local taxes and foreign income taxes, or for medical and dental expenses (deduction for medical and dental expenses reinstated for tax year 2015).

†††Effective tax rate for FAGI basis=Net Tax as a % of Federal Adjusted Gross Income

Proration (income apportionment) factors applicable to part-year and nonresident individuals can exceed 100% in cases where the portion of income subject to NC income tax exceeds total federal gross income, as adjusted.