

tax system during 2016; 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.
†Net Tax=Computed net tax liability (after application of tax credits) plus consumer use tax liability
 years beginning on or after January 1, 2015; the 2015 Appropriations Act reduces the tax rate to 5.499\% effective for taxable years beginning on or after January 1,2017
$\dagger$ In calculating NC taxable income, a taxpayer 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 applicable for tax year 2015 vary according to filing status: $\mathrm{S}=\$ 7,500 ;$ MFJ/SS $=\$ 15,000 ;$ MFS $=\$ 7,500 ;$ and $\mathrm{HoH}=\$ 12,000$.

 as allowed under the Code, and medical and dental expenses as allowed under the Code. NC does not allow a deduction for state and local taxes and foreign income taxes.
Special rules apply for married taxpayers filing separate returns: a taxpayer may not claim (deduct) the standard deduction allowance amount if the taxpayer's spouse claims itemized deductions for State purposes.
$\dagger \dagger$ Effective tax rate for NCTI basis=Net Tax as a \% of Computed NC Net Taxable Income [after residency proration] for returns with positive taxable income
$\dagger \dagger$ Effective tax rate for FAGI basis=Net Tax as a \% of Federal Adjusted Gross Income

