

**Individual Income Tax Filers and Liability - Calendar Years 1998 and 2007**  
**Individual Income Tax Rates - Calendar Years 2000-2009**

North Carolina Taxable Income	Individual Income Tax Filers and Liability by Income Level							
	Calendar Year 2007				Calendar Year 1998			
	Number of Returns	% of Total	Tax Liability	% of Total	Number of Returns	% of Total	Tax Liability	% of Total
0 to \$15,000.....	2,103,592	50.0%	\$ 466,376,063	4.6%	1,897,659	54.1%	\$ 476,572,511	7.8%
\$15,001 to \$25,000.....	562,977	13.4%	638,059,404	6.3%	512,056	14.6%	596,400,498	9.8%
\$25,001 to \$50,000.....	761,440	18.1%	1,693,491,722	16.7%	661,139	18.9%	1,464,195,654	24.0%
\$50,001 to \$75,000.....	352,398	8.4%	1,385,090,343	13.7%	233,607	6.7%	908,894,439	14.9%
\$75,001 to \$100,000.....	166,885	4.0%	952,990,040	9.4%	83,650	2.4%	476,544,562	7.8%
\$100,001 to \$200,000.....	180,689	4.3%	1,668,623,178	16.5%	79,643	2.3%	735,412,464	12.1%
\$200,001 and up.....	79,757	1.8%	3,317,899,222	32.8%	36,801	1.0%	1,433,318,175	23.6%
	<u>4,207,738</u>	100.0%	<u>\$ 10,122,529,972</u>	100.0%	<u>3,504,555</u>	100.0%	<u>\$ 6,091,338,303</u>	100.0%

**Note:** Due to confidentiality issues, the names of the ten largest revenue payers are not available. The categories presented are intended to provide alternative information regarding the sources of the State's revenue. Calendar year 2007 is the most recent year for which data are available.

Table 7

**Individual Income Tax Rates - Last 10 Years**

2000				
Tax Year	Bracket 1	Bracket 2	Bracket 3	Bracket 4
Married - Joint: Taxable income Tax rate	\$1-\$21,250 6%	\$21,251-\$100,000 7%	> \$100,000 7.75%	
Married - Separate: Taxable income Tax rate	\$1-\$10,625 6%	\$10,626-\$50,000 7%	> \$50,000 7.75%	
Head of Household: Taxable income Tax rate	\$1-\$17,000 6%	\$17,001-\$80,000 7%	> \$80,000 7.75%	
Single: Taxable income Tax rate	\$1-\$12,750 6%	\$12,751-\$60,000 7%	> \$60,000 7.75%	
2001-2006				
Tax Year	Bracket 1	Bracket 2	Bracket 3	Bracket 4
Married - Joint: Taxable income Tax rate	\$1-\$21,250 6%	\$21,251-\$100,000 7%	\$100,001-\$200,000 7.75%	> \$200,000 8.25%
Married - Separate: Taxable income Tax rate	\$1-\$10,625 6%	\$10,626-\$50,000 7%	\$50,001-\$100,000 7.75%	> \$100,000 8.25%
Head of Household: Taxable income Tax rate	\$1-\$17,000 6%	\$17,001-\$80,000 7%	\$80,001-\$160,000 7.75%	> \$160,000 8.25%
Single: Taxable income Tax rate	\$1-\$12,750 6%	\$12,751-\$60,000 7%	\$60,001-\$120,000 7.75%	> \$120,000 8.25%
2007				
Tax Year	Bracket 1	Bracket 2	Bracket 3	Bracket 4
Married - Joint: Taxable income Tax rate	\$1-\$21,250 6%	\$21,251-\$100,000 7%	\$100,001-\$200,000 7.75%	> \$200,000 8%
Married - Separate: Taxable income Tax rate	\$1-\$10,625 6%	\$10,626-\$50,000 7%	\$50,001-\$100,000 7.75%	> \$100,000 8%
Head of Household: Taxable income Tax rate	\$1-\$17,000 6%	\$17,001-\$80,000 7%	\$80,001-\$160,000 7.75%	> \$160,000 8%
Single: Taxable income Tax rate	\$1-\$12,750 6%	\$12,751-\$60,000 7%	\$60,001-\$120,000 7.75%	> \$120,000 8%
2008				
Tax Year	Bracket 1	Bracket 2	Bracket 3	Bracket 4
Married - Joint: Taxable income Tax rate	\$1-\$21,250 6%	\$21,251-\$100,000 7%	> \$100,000 7.75%	
Married - Separate: Taxable income Tax rate	\$1-\$10,625 6%	\$10,626-\$50,000 7%	> \$50,000 7.75%	
Head of Household: Taxable income Tax rate	\$1-\$17,000 6%	\$17,001-\$80,000 7%	> \$80,000 7.75%	
Single: Taxable income Tax rate	\$1-\$12,750 6%	\$12,751-\$60,000 7%	> \$60,000 7.75%	
2009				
Tax Year	Bracket 1	Bracket 2	Bracket 3	Bracket 3 Sur tax
Married - Joint: Taxable income Tax rate	\$1-\$21,250 6%	\$21,251-\$100,000 7%	> \$100,000 up to \$250,000 7.75% > 250,000	2% 3%
Married - Separate: Taxable income Tax rate	\$1-\$10,625 6%	\$10,626-\$50,000 7%	> \$50,000 up to \$125,000 7.75% >125,000	2% 3%
Head of Household: Taxable income Tax rate	\$1-\$17,000 6%	\$17,001-\$80,000 7%	> \$80,000 up to \$200,000 7.75% >200,000	2% 3%
Single: Taxable income Tax rate	\$1-\$12,750 6%	\$12,751-\$60,000 7%	> \$60,000 up to \$150,000 7.75% >150,000	2% 3%

**Temporary Rate Increase** - Effective for the tax years January 1, 2001 through December 31, 2003, the General Assembly temporarily raised the highest individual income tax rate from 7.75% to 8.25%. This temporary increase was extended in subsequent budgets. In 2006-07, the General Assembly reduced the top rate from 8.25% to 8.0%, effective January 1, 2007.

**Income tax rate restrictions** - The State Constitution (Article V, section 2(6)) places the following limitation on the income tax: "The rate of tax on incomes shall not in any case exceed ten percent, and there shall be allowed personal exemptions and deductions so that only net incomes are taxed."