

North Carolina should fund our future by taxing corporations and the rich

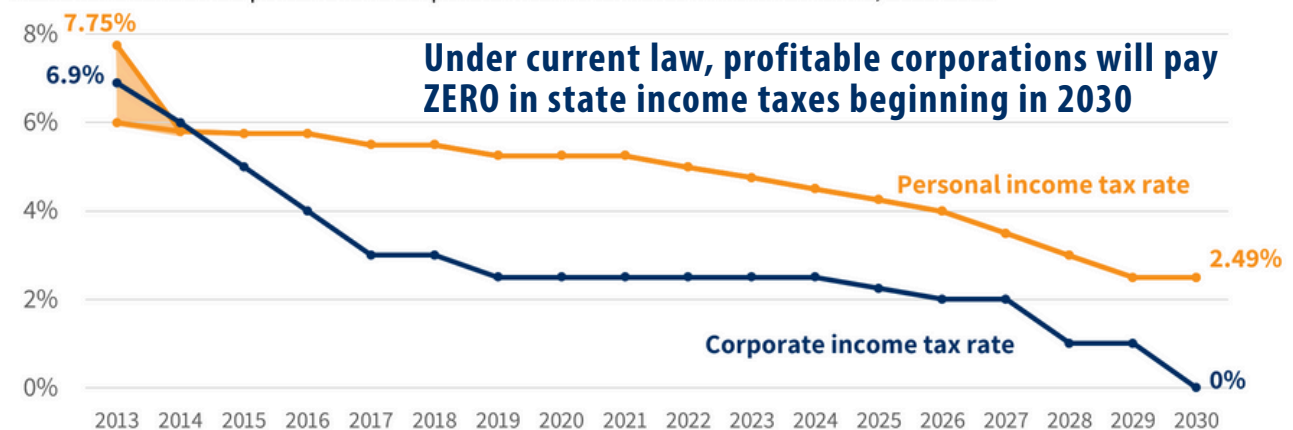
No matter what we look like or where we live, North Carolinians want to care for our families and see our communities thrive. Our hard work makes the state prosper, but a handful of politicians have rigged the tax code to redirect resources from our communities to wealthy individuals and highly profitable corporations.

FEDERAL CUTS TO MEDICAID AND SNAP (FOOD STAMPS) ARE GOING INTO EFFECT SOON, SHIFTING HUGE COSTS ONTO OUR STATE

Now is the time for lawmakers to put NC first by making corporations and the rich pay what they owe, protecting our state from federal cuts, and funding our future.

Since 2013, legislative leaders in the NC General Assembly have chosen profitable corporations and the wealthy few over North Carolina's people, homegrown businesses, and future generations ...

Actual and scheduled personal and corporate income tax rates in North Carolina, 2013-2030



... by passing laws that eliminate the state corporate income tax and steadily cut the personal income tax rate.

NORTH CAROLINIANS ACROSS THE POLITICAL SPECTRUM REJECT THIS APPROACH:

77% oppose eliminating the corporate income tax

70% say we should invest more in education, infrastructure, and health care, even if that means raising taxes on wealthy individuals and corporations

Quick Facts on State Income Taxes



More than half of NC's public money (which we use to fund public schools and so much more) comes from personal and corporate income taxes



When our state population and economy grow, income tax collections also increase, ensuring we can keep up with the cost of delivering public services

Quick Facts on the State Corporate Income Tax



More than 9 out of every 10 dollars in corporate tax cuts flow out of the state, since corporations pass on their tax savings to shareholders and executives



Companies that pay the corporate income tax aren't mom-and-pop shops — most operate in multiple states and have profits above \$25 million



Small businesses don't pay this tax, but they are harmed when lawmakers have less money for public investments that businesses need, like child care and transportation for their workers

INCOME TAX CUTS ARE PREVENTING LAWMAKERS FROM LOWERING THE COST OF LIVING FOR FAMILIES

Because of state income tax cuts since 2013, North Carolina is losing almost **\$18 billion** in revenue each year.

WITH \$18 BILLION MORE TO SPEND IN OUR STATE BUDGET, WE COULD:



Make child care and housing more affordable



Raise pay for teachers and state employees



Give families a Child Tax Credit and Working Families Tax Credit

Instead, we're struggling financially, and official projections show state budget shortfalls are on the horizon ... all while lawmakers keep cutting taxes for the rich and telling us they can't find the money.

SLASHING STATE INCOME TAXES HARMS REGULAR PEOPLE WHILE ENRICHING THE WEALTHY FEW

North Carolina's tax code is already upside-down: People with the lowest incomes pay the highest share of their income in state and local taxes. By cutting state income taxes, lawmakers are making things worse.

In 2030, North Carolinians with incomes **over \$770,000** will get an annual state tax cut of **\$25,000** on average, on top of their federal cut from Trump and Republicans in Congress.

\$25,000



Meanwhile, families making **less than \$25,000** will get a state tax cut of **\$34** on average — all while federal cuts to health care, food assistance, and more mean everyday costs keep going up.

\$34



With the state short on cash, local leaders feel the pressure to raise property and sales taxes, hitting folks with low incomes the hardest.

FEDERAL CUTS ARE HURTING PEOPLE AND OUR STATE BUDGET



In July 2025, President Trump and Republicans in Congress passed a harmful megabill that slashed Medicaid and SNAP, and takes away tax credits that help people afford to buy health coverage on their own when their employers don't provide it.

Why? So they could give massive tax cuts to people making over \$500,000.

WHAT ARE THE IMPACTS ON NORTH CAROLINA?

- ✗ Health insurance premiums will double on average next year for people who buy health coverage on their own
- ✗ Half a million people expected to lose health coverage by 2034
- ✗ Medicaid and SNAP taken away from lawfully present immigrants
- ✗ Six rural hospitals at risk of closure due to Medicaid cuts, and 1,400 food retailers at risk of closure, many in rural areas, due to SNAP cuts
- ✗ Clean energy cuts mean annual household energy costs will go up by nearly \$500 over the next ten years, and over 40,000 jobs lost in 2030

LET'S TELL OUR LAWMAKERS TO FUND OUR FUTURE!

There's still time to stop reckless income tax cuts in North Carolina. Our state needs corporations and the rich to pay what they owe so that workers, homegrown businesses, and communities have what we need to drive our economy forward.

For citations, see NCBudget.org/NCTaxFactsheet

