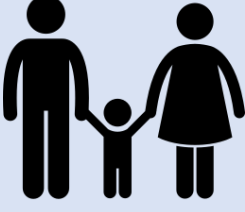


EXAMPLES OF HOW NORTH CAROLINA TAXPAYERS FARE UNDER THE GOVERNOR'S 2025-27 RECOMMENDED BUDGET VS 2025 CURRENT LAW

Household Characteristics	Income and Deductions Details	2025 Income Tax – Current Law	2025 Income Tax – Recommended Budget	Net Tax Savings
Head of Household with Two Children 	- Income: \$41,000 - Child care expenses: \$8,000	NC Income Tax: \$717 1.7% of Income	NC Income Tax: -\$667 (Refunded) -1.6% of Income (Includes Working Families Tax Credit, Child Tax Credit, and Child Care Credit)	\$1,384 (3.4% of Income)
Dual-Earner Couple with Three Children 	- Income: \$65,000 - Childcare expenses: \$10,000	NC Income Tax: \$1,424 2.2% of Income	NC Income Tax: \$624 1.0% of Income (Includes Working Families Tax Credit, Child Tax Credit, and Child Care Credit)	\$800 (1.2% of Income)
Dual-Earner Couple with Two Children 	- Income: \$107,000 - Childcare expenses: \$15,000	NC Income Tax: \$3,379 3.2% of Income	NC Income Tax: \$2,764 2.6% of Income (Includes Child Tax Credit and Child Care Tax Credit)	\$615 (0.6% of Income)
Small Business Owners with One Child 	- Income: \$70,000 - Childcare expenses: \$2,000 - Five employees	NC Income Tax: \$1,806 2.6% of Income UI Tax: \$ 800	NC Income Tax: \$1,591 2.3% of Income (Includes Child Tax Credit and Child Care Credit) UI Tax Credit: \$ 180	\$215 Income Taxes (0.3% of Income) \$180 UI Taxes (23% of UI Taxes)
Married Elderly Couple 	- Total Income: \$75,000 \$27,500 Social Security \$12,500 Private Pensions \$35,000 Other Income	NC Income Tax: \$935 1.2% of Income	NC Income Tax: \$935 1.2% of Income	No Change
Single Non-Elderly Person 	Income: \$33,000	NC Income Tax: \$861 2.6% of Income	NC Income Tax: \$861 2.6% of Income	No Change