

1 17 NCAC 07B .0104 is readopted with substantive changes pursuant to G.S. 150B-21.3A(c)(2)g without notice
2 pursuant to G.S. 150B-1(D)(4) as follows:

3
4 **17 NCAC 07B .0104 REGISTRATION AND RETURNS**

5 **(a) Certificate of Registration:**

6 (1) Before a person engages in business as a retailer, wholesale merchant, or facilitator liable for sales
7 or use tax, the person shall obtain a Certificate of Registration from the Department. A Certificate
8 of Registration contains the sales and use tax account identification number (Account ID). There is
9 no fee to obtain a Certificate of Registration.

10 (2) A person engaged in business that does not pay the [applicable] required North Carolina sales or
11 use tax on an item, as the term item is defined in G.S. 105-164.3, to a seller or facilitator at the time
12 of purchase [is liable for] shall pay use tax in accordance with G.S. 105-164.6 on the purchase price
13 of the item. A person required to pay use tax on its purchases shall register with the Department to
14 obtain a Certificate of Registration.

15 (3) A person may apply for a Certificate of Registration by:

16 (A) Registering through the Department’s website at www.ncdor.gov;

17 (B) Register online through the Streamlined Sales Tax Registration System (SSTRS) at
18 <https://www.streamlinedsalestax.org>; or

19 (C) Calling the Department at telephone number 1-877-252-3052 to request a registration form,
20 and submitting the completed registration by mail to the Department’s mailing address set
21 out in 17 NCAC 01A .0101.

22 (4) Information needed to obtain a Certificate of Registration includes the following:

23 (A) Ownership information, including North Carolina Secretary of State’s business
24 identification number, if applicable.

25 (B) Federal Employer Identification Number (FEIN) or Social Security Number for
26 proprietorships.

27 (C) Legal business name, owner’s name, physical and mailing address of the business, [any]
28 all trade [name,] names, and daytime telephone number.

29 (D) Responsible person demographics, if applicable, including name, title, Social Security
30 Number, and home address.

31 (E) Date when sales or purchases will begin.

32 (F) Whether sales will be retail, wholesale, or both.

33 (G) Description of business.

34 (H) [Knowledge of the] The types of items and services that will be sold by the business.

35 (I) Estimate of monthly sales tax.

36 (J) Type of accounting method that will be used whether cash or accrual.

37 (K) Months sales will be made, if seasonal.

1 (b) Returns:

2 ~~(a)(1) General Returns General. -- G.S. 105-164.16 establishes the filing frequency and the content of sales~~
3 ~~and use tax returns-returns. All sales and use tax returns may be obtained from the Department's~~
4 ~~website at www.ncdor.gov or by calling the Department at telephone number 1-877-252-3052, and~~
5 ~~shall contain the information required by 17 NCAC 01C .0622, and the content of the returns. G.S.~~
6 ~~105-164.4(e) requires a retailer and a wholesale merchant to register with the Department and obtain~~
7 ~~a certificate of registration. G.S. 105-164.6 requires a retailer who delivers property for storage,~~
8 ~~use, or consumption but does not have a place of business in this State to register with the~~
9 ~~Department and obtain a certificate of registration. A person who is engaged in business, is not~~
10 ~~otherwise required to file a sales and use tax return, and, on two or more occasions within a twelve-~~
11 ~~month period, purchases property subject to use tax must register with the Department and begin~~
12 ~~filing sales and use tax returns. A person who is engaged in business, is not otherwise required to~~
13 ~~file a sales and use tax return, and purchases property subject to use tax only once in a twelve month~~
14 ~~period must file a return and pay the tax due within 20 days after the end of the month in which the~~
15 ~~purchase was made.~~

16 ~~(b)(2) Schedules. -- A retailer who files a return that reports tax payable by more than one location in the~~
17 ~~State must attach two schedules to the return. One schedule must list the amount of State tax due~~
18 ~~for each location in the State and the other must list the amount of local tax due for each county. A~~
19 ~~person [that] who files a paper sales and use tax return, that is liable for local county tax source to a~~
20 ~~taxing jurisdiction in this State other than the county where the business is located or in more than~~
21 ~~one county, shall attach Form E-536, Schedule of County Sales and Use [Taxes] Taxes, to the return~~
22 ~~listing the amount of tax due for each taxing jurisdiction.~~

23 ~~(c) No Sales or Purchases By Business Business. -- A retailer who does not make any person required to file a sales~~
24 ~~and use tax return that has no sales or purchases during a reporting period must shall file a return for that period and~~
25 ~~enter 0.00 (zero) zero (0.00) as the total tax due on the Total Due line on the return. Similarly, a person who is not a~~
26 ~~retailer but is engaged in business, purchases tangible personal property for the business that is subject to use tax, and~~
27 ~~does not make any taxable purchases during a reporting period must file a return for that period and enter 0.00 (zero)~~
28 ~~on the Total Due line on the return.~~

29 ~~(d) Seasonal Business. -- A retailer who person that engages in business for six or fewer consecutive months in each~~
30 ~~year may register with the Department as a seasonal filer and indicate the months in which the retailer person engages~~
31 ~~in business. A retailer who person that is registered as a seasonal filer is not required to file a return for an off-season~~
32 ~~reporting period in which the retailer did not engage in business.~~

33 ~~(e) Wholesale Merchant Merchant. -- A person who engages exclusively in the business of making wholesale sales~~
34 ~~shall register with the Department, but is not required to file a return. A wholesale merchant that makes taxable sales~~
35 ~~or that makes purchases on which it owes use [tax,] tax is not engaged exclusively in the business of making wholesale~~
36 ~~sales and shall file sales and use tax returns and pay the tax due. A person who, on two or more occasions within a~~
37 ~~twelve month period, either makes taxable sales to users, consumers, or nonregistered merchants or makes purchases~~

1 ~~subject to use tax is not engaged exclusively in the business of making wholesale sales and must begin filing sales and~~
2 ~~use tax returns. A wholesale merchant who is not required to file a sales and use tax return and who, on only one~~
3 ~~occasion within a twelve month period, either makes taxable sales to users, consumers, or nonregistered merchants or~~
4 ~~makes purchases subject to use tax must file a return and pay the tax due within 20 days after the end of the month in~~
5 ~~which the sale or purchase was made.~~

6 (f) ~~Non Business Use Tax—An individual who is not engaged in the business of selling tangible personal property~~
7 ~~at retail and who purchases for a non business purpose tangible personal property that is subject to use tax must report~~
8 ~~the tax due on an annual basis. An individual who is required to file an individual income tax return must pay the use~~
9 ~~tax with the individual income tax return for that year. An individual who is not required to file an individual income~~
10 ~~tax return must report the tax due on Form E-554. Form E-554 is due annually by the date set under G.S. 105-164.16.~~

11 (f) Use Tax:

12 (1) General. -- A business or individual that purchases an item sourced to this State, other than a boat
13 or aircraft, shall accrue and remit the use tax due on the purchase price of the item in accordance
14 with G.S. 105-164.6 when retailers, remote sellers, or facilitators do not collect the applicable tax
15 on taxable transactions.

16 (2) Business Use Tax. -- A business shall report and remit use tax on a sales and use tax return.

17 (3) Individual Use Tax. An individual required to file a North Carolina individual income tax return,
18 shall report the use tax liability of taxable items, other than a boat, an aircraft, and food subject to
19 the two percent (2%) rate of tax, on the individual's income tax return. An individual not required
20 to file a North Carolina individual income tax return shall report the use tax liability on taxable
21 items, other than a boat or aircraft, on Form E-554, Consumer Use Tax Return. Form E-554 is due
22 annually by the date set in G.S. 105-164.16.

23 (A) Form E-554 shall include the following information:

24 (i) name of filer, spouse's name, if applicable, address, and phone number;

25 (ii) Social Security Number of filer, and Social Security Number of filer's spouse, if
26 applicable;

27 (iii) beginning and ending dates for the period the return is filed;

28 (iv) total amount of purchases subject to use tax at each applicable tax rate, including
29 purchases of food subject to the two percent (2%) food rate;

30 (v) total tax at each applicable tax rate;

31 (vi) any credit for sales and use tax paid to another state;

32 (vii) tax due before any penalty and interest;

33 (viii) any penalty or interest due;

34 (ix) total tax due; and

35 (x) signature, title, contact telephone number of filer, and date return is signed.

36 (B) Any individual who purchases food subject to the two percent (2%) food rate of sales and
37 use tax shall report the tax on Form E-554, Consumer Use Tax Return.

1 (C) Any individual who purchases a boat or aircraft shall report the tax on Form E-555, Boat
2 and Aircraft Use Tax Return.

3 (D) Form E-555 shall include the following information:

4 (i) name of filer, address, and telephone number;

5 (ii) Social Security Number or Federal Employer Identification Number (FEIN) of
6 filer;

7 (iii) beginning and ending dates for the period the return is filed;

8 (iv) boat registration or document number and total amount of purchase, if applicable;

9 (v) aircraft serial number and total amount of purchase, if applicable;

10 (vi) total tax at each applicable tax rate;

11 (vii) any credit for sales and use tax paid to another state;

12 (viii) tax due before any penalty and interest;

13 (ix) any penalty or interest due;

14 (x) total tax due; and

15 (xi) signature, title, contact telephone number of filer, and date return is signed.

16
17 *History Note:* Authority G.S. 105-164.3; 105-164.4; 105-164.4B; 105-164.6; 105-164.13B; 105-164.16; 105-
18 164.29; 105-164.42C; 105-164.42K; 105-262; 105-264; ~~105-269.14;~~ [Chapter 105, Articles 39, 40,
19 42, 43, and 46;] 105-467; 105-468; 105-469; 105-483; 105-498; 105-507.2; 105-509.1; 105-510.1;
20 105-511.3; 105-537; 105-538;

21 *Eff. February 1, 1976;*

22 *Amended Eff. April 1, 2006; August 1, 2002; July 1, 2000; July 1, 1999; August 1, 1998;*

23 *October 1, 1993; October 1, 1991; October 1, 1990; April 1, ~~1986-1986;~~*

24 *Readopted Eff. January 1, 2024.*

25

1 17 NCAC 07B .0106 is readopted with substantive changes pursuant to G.S. 150B-21.3A(c)(2)g without notice
2 pursuant to G.S. 150B-1(D)(4) as follows:

3
4 **17 NCAC 07B .0106 CERTIFICATES OF EXEMPTION: SALES FOR RESALE**

5 (a) [A] For a purchaser of tangible personal property who is properly registered with the Sales and Use Tax Division
6 of the North Carolina Department of Revenue or in a taxing jurisdiction outside this State and is engaged in the
7 business of selling tangible personal property at retail or wholesale and makes purchases of tangible personal property
8 for the purpose of resale person [purchasing] to purchase an item, as the term item is defined in G.S. 105-164.3, for
9 resale exempt from sales and use tax pursuant to G.S. 105-164.13(5), the person shall [furnish to] his vendors as
10 their provide each seller [the authority for not collecting the] tax, either: [sales or use tax by submitting] the information
11 required by G.S. 105-164.28(a) on a paper certificate or electronically. The information required includes:

- 12 _____ (1) the purchaser's name;
13 _____ (2) the purchaser's address;
14 _____ (3) the purchaser's certificate of registration number which shall be a North Carolina certificate of
15 _____ registration number, another state's sales and use tax registration number, or a Streamlined Sales
16 _____ Tax ID;
17 _____ (4) the reason for the exemption;
18 _____ (5) the type of business; and
19 _____ (6) if submitted by paper, including fax, the purchaser's signature and date signed.
- 20 (1) Streamlined Sales Tax Agreement Certificate of Exemption, Form E-595E, or
21 (2) other evidence in writing adequate to support the conclusion that he is registered with the
22 Department of Revenue or in a taxing jurisdiction outside this State for sales and use tax purposes
23 and that the property is being purchased for the purpose of resale.

24 Such certificates or other written evidence shall be completed in duplicate and a copy retained by both the vendor and
25 the vendee in their files. In the absence of such certificates or other adequate written evidence, vendors selling taxable
26 tangible personal property to wholesale and retail merchants shall be deemed to be making retail sales and shall be
27 liable for collecting and paying the tax thereon at the applicable rate.

28 A purchaser shall retain in their records the certificates or electronic information submitted to sellers and an invoice
29 or other statement of the purchase price of any items purchased.

30 (b) A seller's failure to keep records that establish a sale is exempt from sales and use tax subjects the seller to liability
31 for the tax at the rates applicable to the retail sale of the item. To establish a sale is exempt from tax, sellers shall retain
32 in their records the certificates or electronic information submitted by the purchaser, and records that identify the item
33 purchased, the sales price of the item, and the purchaser of the item.

34 (b) Certificates of exemption being issued for the purpose of resale shall not be used to purchase tangible personal
35 property which is to be used or consumed by the purchaser. The Secretary may revoke the license of any licensed
36 merchant who makes such use of the certificate of exemption. Vendors shall charge the applicable rate of tax on sales
37 to registered merchants when the property sold is for use by the purchaser and not for resale. Merchants purchasing

1 tangible personal property for resale on a regular basis from a vendor shall only be required to furnish one certificate
2 of exemption or other written evidence to the vendor for such purchases. Whenever a person makes purchases of
3 tangible personal property for resale and the property is not generally and ordinarily the type of property the purchaser
4 will resell, the vendor shall require certificates of exemption or other written evidence in connection with individual
5 purchases supporting that the property is being purchased for resale.

6 (c) A person that misuses a certificate of exemption, including [other] information provided electronically for
7 purposes of obtaining an exemption, is subject to penalties set out in G.S. 105-236. The penalty for misuse of an
8 exemption certificate applies to each seller identified by the Department from which the person made a taxable
9 purchase. The misuse of an exemption certificate is grounds for the Secretary to revoke a person's certificate of
10 registration for sales and use taxes. ~~Persons who issue certificates of exemption to vendors to obtain property without~~
11 ~~payment of tax when due are subject to assessment of the penalties set out in G.S. 105-236(5) and (5a) and may be~~
12 ~~guilty of a Class H felony. The penalty for misuse of a certificate of exemption is applicable only to a purchaser. The~~
13 ~~act of executing a certificate of exemption by a vendee and furnishing the document to a vendor does not constitute a~~
14 ~~use or misuse of the certificate. The actual use or misuse~~ Misuse ~~occurs when a person makes a taxable purchase and~~
15 ~~furnishes the information described in section (a) of this Rule to a seller and the seller purchase is made and the vendor,~~
16 ~~relying on the certificate furnished by the vendee, does not charge sales or use tax thereon on the basis that the sale is~~
17 ~~a "wholesale sale" as defined in G.S. 105-164.3(24).105-164.3. A single purchase is considered to be the tangible~~
18 ~~personal property purchased at one time as reflected on the bill of sale. The penalty shall be applied only once to each~~
19 ~~invoice or bill of sale for which a misuse of the certificate has occurred. This penalty is subject to the discretionary~~
20 ~~authority of the Secretary of Revenue pursuant to G.S. 105-237.~~

21 (d) ~~The Secretary may extend to a registered merchant written permission to make purchases for his own use pursuant~~
22 ~~to the certificate of exemption and assume liability for payment of the applicable tax to the Department when the~~
23 ~~character of the business of the purchaser is such that it would impose undue hardship upon the vendor and vendee to~~
24 ~~determine the transactions upon which the vendor would ordinarily be required to impose the tax. The purchaser shall~~
25 ~~furnish written evidence of such assumption of liability to the purchaser's vendors; the vendors must retain the~~
26 ~~documentation in their files.~~

27 (e) ~~This rule applies to sales to resident and nonresident retail or wholesale merchants. Reference is made to 17~~
28 ~~NCAC 7B .2301 for the treatment of sales to nonresident retail or wholesale merchants.~~

29
30 *History Note:* Authority G.S. 105-164.3; 105-164.4; 105-164.6; 105-164.22; 105-164.28; 105-164.29; 105-236;
31 105-262; 105-264; [Chapter 105, Articles 39, 40, 42, 43, and 46:] 105-467; 105-468; 105-469;
32 105-483; 105-498; 105-507.2; 105-509.1; 105-510.1; 105-511.3; 105-537; 105-538;
33 Eff. February 1, 1976;
34 Amended Eff. April 1, 2006; October 1, 1993; February 1, 1988; May 11, 1979-1979;
35 Readopted Eff. January 1, 2024.
36

1 17 NCAC 07B .0108 is readopted with substantive changes pursuant to G.S. 150B-21.3A(c)(2)g without notice
2 pursuant to G.S. 150B-1(D)(4) as follows:

3
4 **17 NCAC 07B .0108 TRADE DISCOUNTS AND CASH DISCOUNTS**

5 (a) ~~Trade.~~Trade and Bargaining Discounts. --~~Trade discounts and bargaining discounts are not a part of the sales~~
6 ~~price on which sales tax is computed when the sales price is reduced by the discounts before the computation of tax.~~
7 A trade discount is a price-reduction afforded in the price a seller charges that is extended to a particular customer or
8 ~~customers in a particular trade or group purchaser or group of purchasers~~ without reservation at the time the sale is
9 being negotiated. ~~A bargaining discount is a price-reduction in the price a seller charges that is extended to a customer~~
10 purchaser at the time the sale is being negotiated as a result of bargaining between the ~~customer purchaser~~ and the
11 seller. The sales price of an item, as the term item is defined in G.S. 105-164.3, does not include a trade discount or
12 bargaining discount that is not reimbursed by a third party.

13 (b) ~~Cash.~~Cash and Terms Discounts. -- A cash or terms discount is a reduction in the ~~sales price,~~price a seller charges
14 that is extended to the purchaser for prompt payment of an invoice. The sales price of an item does not include a cash
15 or terms discount that is not reimbursed by a third party. and the tax must be computed and paid on the sales price
16 after allowance for the cash discount. Generally, a cash discount is a deduction from the sales price allowed for prompt
17 payment of the bill. Likewise, cash discounts are not a part of the purchase price on which tax is due. A person who
18 purchases tangible personal property for use or consumption in this State is liable for remitting the tax due on the
19 purchase price after allowance for the cash discount.

20 (c) Trade-ins and Over-allowance. -- The amount of ~~an over-allowance to a trade-in, including an over-allowance,~~
21 which is the difference between the trade-in amount and the actual cash value of the trade-in, taken by a purchaser ~~for~~
22 ~~an item taken in trade as a credit or part-partial payment on the sale of a new article~~an item is not a reduction in the
23 sales price of the ~~new article,~~item. The trade-in is consideration given towards the purchase of the item. The tax
24 ~~must~~Any applicable sales or use tax shall be computed and paid on the ~~full gross sales price of the new article~~item
25 without any deduction on account of the trade-in credit or allowance for a trade-in.

26
27 *History Note: Authority G.S. 105-164.3; 105-164.4; 105-164.6; 105-262; 105-264;*
28 *Eff. February 1, 1976.*
29 *Amended Eff. August 1, 2002-2002;*
30 *Readopted Eff. January 1, 2024.*
31

1 17 NCAC 07B .0112 is readopted with substantive changes pursuant to G.S. 150B-21.3A(c)(2)g without notice
2 pursuant to G.S. 150B-1(D)(4) as follows:

3
4 **17 NCAC 07B .0112 OCCASIONAL AND ISOLATED SALES OF HOUSEHOLD GOODS**

5 (a) An occasional and isolated sale occurs when the seller sells an item, as the term item is defined in G.S. 105-164.3,
6 that is not of, or similar to, the type of item that the seller is engaged in the business of selling. For example, a person
7 selling a personally owned bicycle is not making an occasional and isolated sale if the person operates a bicycle store.
8 Occasional and isolated sales do not include sales of items by a facilitator liable for collecting and remitting tax on
9 the sale.

10 (b) Household items. -- Owners making ~~Occasional~~ occasional and isolated sales of household goods-items, on which
11 the sales or use tax ~~has been~~ due was paid at the time of the initial purchase by the owner, are not required to collect
12 and remit sales or use tax on the sale. For example, an individual making an occasional and isolated sale of a personally
13 owned boat, is not required to collect and remit sales or use tax on the sale of the boat. ~~are exempt from the tax when~~
14 sold by the owner in his capacity as owner and not in the capacity of a retail merchant. Such sales are deemed to be
15 casual or isolated sales by persons not holding themselves out as engaged in business.

16 (c) Business items. -- Businesses making occasional and isolated sales of items owned by the business, upon which
17 the sales or use tax due was paid at the time of the initial purchase by the business, are not required to collect and
18 remit sales or use tax on the sale. For example, a manufacturer's occasional and isolated sale of its worn out, obsolete,
19 or surplus machinery, accessories, and similar items is not subject to sales tax, as long as the manufacturer is not
20 engaged in the business of making retail or wholesale sales of similar property.

21
22 *History Note: Authority G.S. 105-164.3; 105-164.4; 105-164.6; 105-262; 105-264*
23 *Eff. February 1, 1976-1976.*
24 *Readopted Eff. January 1, 2024.*
25

1 17 NCAC 07B .0117 is readopted with substantive changes pursuant to G.S. 150B-21.3A(c)(2)g without notice
2 pursuant to G.S. 150B-1(D)(4) as follows:

3
4 **17 NCAC 07B .0117 PROPERTY TRANSFERS BETWEEN DIVISIONS**

5 ~~Firms~~ A business entity having divisions, both ~~within~~ inside and ~~without~~ outside of North Carolina, ~~are~~ is liable for
6 remitting the [applicable] ~~rate~~ rates of sales and use tax on any purchases of ~~tangible personal property~~ items, as the
7 term item is defined in G.S. 105-164.3, for use in North Carolina, including any property purchased outside North
8 Carolina and imported into North Carolina for use in this ~~state~~ State. An item received by the purchaser or on behalf
9 of the purchaser in this State is subject to sales and use tax no matter that the item is designated for ultimate use outside
10 this State. No tax ~~will be~~ is due ~~with respect to these~~ on transfers of property by an out-of-state firm to its North Carolina
11 divisions for their use ~~when~~ if the property was originally purchased for use outside this ~~state~~ State by the out-of-state
12 firm and ~~was~~ was, in ~~fact~~ fact, used by that firm outside this ~~state~~ State for a substantial period of ~~[time.]~~ time of at
13 least 12 months.

14
15 *History Note:* *Authority G.S. 105-164.4; 105-164.6; 105-262; 105-264; [Chapter 105, Articles 39, 40, 42, 43, and*
16 *46;] 105-467; 105-468; 105-469; 105-483; 105-498; 105-507.2; 105-509.1; 105-510.1; 105-511.3;*
17 *105-537; 105-538;*
18 *Eff. February 1, 1976;*
19 *Amended Eff. December 1, 1997; October 1, ~~1993~~ 1993;*
20 *Readopted Eff. January 1, 2024.*
21

1 17 NCAC 07B [4204].0121 is repealed pursuant to G.S. 150B-21.3A(c)(2)g without notice pursuant to G.S. 150B-
2 1(D)(4) as follows:

3

4 **17 NCAC 07B .0121 BANKRUPT'S LIABILITY**

5

6 *History Note:* *Authority G.S. 105-164.4; 105-164.6; 105-262; 105-264; 11 U.S.C. 532;*

7 *Eff. February 1, 1976;*

8 *Amended Eff. October 1, ~~1993-1993~~;*

9 *Repealed Eff. January 1, 2024.*

10

1 17 NCAC 07B .0801 is readopted with substantive changes pursuant to G.S. 150B-21.3A(c)(2)g without notice
2 pursuant to G.S. 150B-1(D)(4) as follows:

3
4 **17 NCAC 07B .0801 MANUFACTURER’S WARRANTY AND DEALER’S WARRANTY;**
5 **ADJUSTMENTS AND REPLACEMENTS**

6 (a) Manufacturer’s Warranty:

7 (1) Exempt Purchases. -- Purchases by a manufacturer of a replacement item, a repair part, or repair,
8 maintenance, and installation services to maintain or repair tangible personal property or a motor
9 vehicle pursuant to a manufacturer’s warranty, as the term is defined in G.S. ~~[105-164.13,]~~ 105-
10 164.13(62a), are exempt from sales and use tax if the manufacturer provides the seller a Certificate
11 of Exemption or required data elements ~~[eomplies]~~in accordance with 17 NCAC 07B .0106. This
12 exemption also applies when the manufacturer contracts with a dealer or another person to make the
13 repairs on behalf of the manufacturer pursuant to a manufacturer’s warranty and that dealer or person
14 purchases the replacement item, repair part, or repair, maintenance, and installation services.

15 (2) Tax Due On Repair Charges. -- If the manufacturer does not charge the purchaser of the property
16 being repaired for the replacement item, repair parts, or any repair, maintenance, and installation
17 services, no sales or use tax is due on the cost of the replacement item, parts, or services. If the
18 manufacturer charges the purchaser of the property being repaired for the replacement item, repair
19 parts, or any repair, maintenance, and installation services, sales and use tax is due on the sales price
20 of the item, parts, or services. ~~Whenever any taxable article is returned to the manufacturer for~~
21 adjustment, replacement, or exchange under a guaranty as to its quality or service and pursuant
22 thereto a new article is given free, or at a reduced price, the sales or use tax shall be computed on
23 the actual amount, if any, paid to the manufacturer for the new article.

24 (b) Dealer’s Warranty:

25 (1) Exempt Purchases. -- Purchases by a dealer of a replacement item, a repair part, or repair,
26 maintenance, and installation services to maintain or repair tangible personal property or a motor
27 vehicle pursuant to a dealer’s warranty, as the term is defined in G.S. ~~[105-164.13,]~~105-164.13(62a),
28 are exempt from sales and use tax if the dealer provides the seller a Certificate of Exemption or
29 required data elements ~~[eomplies]~~in accordance with 17 NCAC 07B .0106. This exemption also
30 applies when the dealer contracts with another person to make the repairs on behalf of the dealer
31 pursuant to a dealer’s warranty and that person purchases the replacement item, repair part, or repair,
32 maintenance, and installation services.

33 (2) Tax Due On Repair Charges. -- If the dealer does not charge the purchaser of the property being
34 repaired for the replacement item, repair parts, or any repair, maintenance, and installation services,
35 no sales or use tax is due on the cost of the replacement item, parts, or services. If the dealer charges
36 the purchaser of the property being repaired for the replacement item, repair parts, or any repair,
37 maintenance, and installation services, sales and use tax is due on the sales price of the item, parts,

1 or services. ~~Dealers using tangible personal property to fulfill sales warranties or guaranty~~
2 ~~obligations to a customer without cost to the customer are not liable for the applicable statutory state~~
3 ~~and local sales or use tax on the dealer's cost price of all tangible personal property so used.~~
4

5 History Note: Authority G.S. 105-164.4; 105-164.6; 105-164.13; 105-262; 105-264;
6 ~~Article 39; Article 40; Article 42; Article 43; Article 44;~~ [Chapter 105, Articles 39, 40, 42, 43, and
7 46;] 105-467; 105-468; 105-469; 105-483; 105-498; 105-507.2; 105-509.1; 105-510.1; 105-511.3;
8 105-537; 105-538;

9 *Eff. February 1, 1976;*

10 *Amended Eff. April 1, 2006; October 1, 1993; October 1, ~~1991~~, 1991;*

11 *Readopted Eff. January 1, 2024.*
12

1 17 NCAC 07B .1202 is readopted with substantive changes pursuant to G.S. 150B-21.3A(c)(2)g without notice
2 pursuant to G.S. 150B-1(D)(4) as follows:

3
4 **17 NCAC 07B .1202 SUPPLIES AND EQUIPMENT FOR AN ACCOMMODATION**

5 ~~Sales to hotels, motels, inns, tourist camps, and tourist cabins and other places in which rooms, lodgings or~~
6 ~~accommodations are furnished for a consideration;~~A hotel, motel, inn, tourist camp, tourist cabin, or other
7 accommodation provider making purchases of any supplies, equipment, or fixtures including linens, but not limited
8 to beds, bedding, bathroom supplies, cleaning supplies, and furniture are subject to shall pay the applicable
9 statutory state general State, and applicable local and transit rates of sales or use tax. Local tax rates by county,
10 including any transit tax can be found on the Department's website at www.ncdor.gov.

11
12 *History Note: Authority G.S. 105-164.3; 105-164.4; 105-164.6; 105-262; 105-264; [Chapter 105, Articles 39, 40,*
13 *42, 43, and 46;] Article 39; Article 40; Article 42; Article 43; 105-467; 105-468; 105-469; 105-*
14 *483; 105-498; 105-507.2; 105-509.1; 105-510.1; 105-511.3; 105-537; 105-538;*
15 *Article 44; Article 46;*
16 *Eff. February 1, 1976;*
17 *Amended Eff. May 1, 2009; October 1, 1993; October 1, ~~1991~~-1991;*
18 *Readopted Eff. January 1, 2024.*
19

1 17 NCAC 07B .1303 is readopted with substantive changes pursuant to G.S. 150B-21.3A(c)(2)g without notice
2 pursuant to G.S. 150B-1(D)(4) as follows:

3
4 **17 NCAC 07B .1303 ~~DELIVERIES-GIFTS TO DONEES~~**

5 ~~(a) A donee is a person to whom the buyer of tangible personal property gives the property that receives an item, as~~
6 ~~the term item is defined in G.S. 105-164.3, from a purchaser without charge. Retailers making sales of items sourced~~
7 ~~to this State shall collect and remit the applicable rates of tax due on the sales price of the item, even if the item is~~
8 ~~given away by the purchaser to a donee or delivered directly to a donee.~~

9 ~~(b) The purchaser of items used or consumed in this State is liable for the applicable rates of tax due on the purchase~~
10 ~~price of the items, even if the items are given away by the purchaser to a donee or delivered directly to a donee, unless~~
11 ~~the tax is paid to the retailer at the time of purchase. When a North Carolina retailer sells tangible personal property~~
12 ~~to a buyer and the retailer, at the direction of the buyer, delivers the property to the buyer's donee instead of to the~~
13 ~~buyer, the sale by the retailer is subject to applicable statutory State and local sales tax only if the delivery to the donee~~
14 ~~is made inside the State. If the delivery to the donee is made outside the State, no State or local sales or use tax applies.~~

15 ~~(c) A retailer who, at the direction of a buyer, delivers property to the buyer's purchaser's donee at a point outside the~~
16 ~~State must have shall maintain acceptable proof of delivery in accordance with 17 NCAC 07B .1301.~~

17
18 *History Note:* Authority G.S. 105-164.3; 105-164.4; 105-164.4B; 105-164.6; 105-262; 105-264; [Chapter 105,
19 Articles 39, 40, 42, 43, and 46;] Article 39; Article 40; Article 42; Article 43; Article 44;
20 Eff. February 1, 1976; 105-467; 105-468; 105-469; 105-483; 105-498; 105-507.2; 105-509.1; 105-
21 510.1; 105-511.3; 105-537; 105-538;
22 Amended Eff. April 1, 2006; July 18, 2002; July 1, 1999; October 1, 1993; October 1, 1991; March
23 1, 1984; January 3, 1984; 1984;
24 Readopted Eff. January 1, 2024.

1 17 NCAC 07B .1404 is readopted with substantive changes pursuant to G.S. 150B-21.3A(c)(2)g without notice
2 pursuant to G.S. 150B-1(D)(4) as follows:

3
4 **17 NCAC 07B .1404 ~~MEDICAL SUPPLIES~~ SUPPLIES, INSTRUMENTS, AND EQUIPMENT**

5 Sales to physicians, dentists, hospitals, or other ~~users or~~ consumers of medical supplies, instruments ~~medical~~
6 instruments, medical equipment, and laboratory equipment used to diagnose, prevent, treat, or cure disease are subject
7 to ~~applicable state~~ the general State, and applicable local and transit rates of sales or and use tax ~~tax~~, pursuant to G.S.
8 105-164.4, unless exempt by statute. Local tax rates by county, including any transit tax can be found on the
9 Department's website at www.ncdor.gov. ~~Sales of medical equipment and medical supplies are also subject to~~
10 ~~applicable state and local sales or use tax, unless their sale is exempt under G.S. 105-164.13(12)d. That statute exempts~~
11 ~~from tax durable medical equipment and related medical supplies that are covered under the Medicare or Medicaid~~
12 ~~program and are sold on either a certificate of medical necessity or a written prescription. Items listed below are~~
13 ~~subject to tax, unless their sale is exempt under G.S. 105-164.13(12)d. Items not included in the list may also be~~
14 Examples of medical supplies, instruments, and equipment subject to ~~tax~~ sales and use tax include the following:

- 15 (1) ~~Adhesive~~ adhesive tape;
- 16 (2) ~~Alcohol~~ alcohol;
- 17 (3) ~~Bandages~~ bandages;
- 18 (4) ~~Battery~~ battery chargers;
- 19 (5) ~~Bed~~ bed pans;
- 20 (6) ~~Betadine~~ betadine solution;
- 21 (7) ~~Blood~~ blood glucose monitors;
- 22 (8) ~~Blood~~ blood glucose test/reagent strips;
- 23 (9) ~~Blood~~ blood or urine control strips;
- 24 ~~(10) — breast pumps;~~
- 25 (10) ~~(11)~~ (10) ~~Breathing~~ breathing circuits;
- 26 (11) ~~(12)~~ (11) ~~CO2~~ carbon dioxide (CO2) saturation monitors and accessories;
- 27 ~~(13)~~ (12) ~~cold packs and hot packs;~~
- 28 ~~(14)~~ (13) ~~collection bags;~~
- 29 (12) ~~(15)~~ (14) ~~Cotton~~ cotton;
- 30 (13) ~~(16)~~ (15) ~~Crutch~~ crutch and cane holders;
- 31 (14) ~~(17)~~ (16) ~~Cylinder~~ cylinder tank carriers;
- 32 ~~(18)~~ (17) ~~denture adhesive;~~
- 33 (15) ~~(19)~~ (18) ~~Dial a dose~~ dial-a-does insulin delivery devices;
- 34 (16) ~~(20)~~ (19) ~~Dressings~~ dressings;
- 35 (17) ~~(21)~~ (20) ~~Exam~~ exam and surgical gloves;
- 36 (18) ~~(22)~~ (21) ~~Gauze~~ gauze;
- 37 ~~(23)~~ (22) ~~glucose for insulin reactions;~~

1 (24)(23) incontinence pads, sheets, and liners;
2 (19) — Knives;
3 (20)(25)(24) I.V.intravenous (IV) hangers;
4 (21) — I.V. poles;
5 (26)(25) knives;
6 (22)(27)(26) Lancets;lancets;
7 (28)(27) lubricants;
8 (23)(29)(28) Microscopes;microscopes;
9 (24)(30)(29) Mouthpieces;mouthpieces;
10 (25)(31)(30) Needles;needles and syringes;
11 (32)(31) non-corrective eye lenses;
12 (33)(32) ostomy barrier wipes and powders;
13 (34)(33) ostomy cleansers, deodorants, and adhesive removers;
14 (26)(35)(34) Peak-peak flow meters;
15 (27)(36)(35) Percussors;percussors;
16 (28)(37)(36) Pulse-pulse oximeters;
17 (29)(38)(37) Rollabout rollabout chairs;
18 (39)(38) soap;
19 (30)(40)(39) Seissors;scissors;
20 (31)(41)(40) Sterile-sterile water;
21 (32) — Surgical gloves;
22 (33) — Syringes;
23 (42)(41) tissues;
24 (34)(43)(42) Tracheal-trachael suction catheters;
25 (35)(44)(43) Tracheostomy-tracheostomy care kits;
26 (36)(45)(44) Tracheostomy-tracheostomy cleaning brushes;
27 (37)(46)(45) Tracheostomy-tracheostomy masks and collars;
28 (38)(47)(46) Tubing;tubing, sold by the linear foot or otherwise;
29 (39)(48)(47) Urinals;urinals;
30 (40)(49)(48) Urine-urine test or reagent strips or ~~tablets; and~~tablets; or
31 (41)(50)(49) X-rayx-ray machines.

32
33 *History Note: Authority G.S. 105-164.4; 105-164.6; 105.164.13; 105-262; 105-264; [~~Chapter 105, Articles 39,~~*
34 *~~40, 42, 43, and 46;~~ 105-467; 105-468; 105-469; 105-483; 105-498; 105-507.2; 105-509.1; 105-*
35 *~~510.1; 105-511.3; 105-537; 105-538;~~*

36 *Eff. February 1, 1976;*

37 *Amended Eff. July 1, 2000; August 1, 1998; October 1, 1993; October 1, 1991-1991;*

1
2

Readopted Eff. January 1, 2024.

1 17 NCAC 07B .1601 is readopted with substantive changes pursuant to G.S. 150B-21.3A(c)(2)g without notice
2 pursuant to G.S. 150B-1(D)(4) as follows:

3
4 **SECTION .1600 – SALES TO OR PURCHASES BY HOSPITALS; EDUCATIONAL; CHARITABLE OR**
5 **RELIGIOUS INSTITUTIONS; ETCNONPROFIT ENTITIES; SALES BY NONPROFIT ENTITIES; AND**
6 **REFUNDS THERETOTO NONPROFIT ENTITIES**

7
8 **17 NCAC 07B .1601 SALES TO OR PURCHASES BY NONPROFIT ENTITIES**

9 (a) For purposes of this Rule, a nonprofit entity is an organization that is exempt from taxation under Section 501(c)(3)
10 of the Internal Revenue Code and includes entities such as hospitals not operated for profit, educational institutions
11 not operated for profit, churches, and civic groups such as chambers of commerce, fraternities, sororities, clubs, lodges,
12 parent and teacher associations, scout councils, and similar organizations.

13 ~~(a)(b) Sales to nonprofits. -- Sales To Nonprofits — Nonprofit entities are not exempt from paying sales and use tax.~~
14 ~~Sales Retail sales of taxable tangible personal property items, as the term item is defined in G.S. 105-164.3, to a~~
15 ~~nonprofit entity for use or consumption by that entity are subject to the applicable rates of sales or and use tax. [tax,]tax,~~
16 ~~pursuant to G.S. 105-164.4, unless acquired by the nonprofit entity for the purpose of resale. A retailer is liable for~~
17 ~~collecting and remitting sales and use tax on a sale to a nonprofit entity, unless the nonprofit provides the retailer a~~
18 ~~Certificate of Exemption in accordance with 17 NCAC 07B .0106. Nonprofit entities include hospitals not operated~~
19 ~~for profit, educational institutions not operated for profit, churches, and civic groups such as chambers of commerce,~~
20 ~~fraternities, sororities, and scout clubs. Sales of building materials, supplies, fixtures, and equipment to contractors~~
21 ~~for use in the performance of contracts with a nonprofit entity are also subject to sales or use tax.~~

22 (c) Purchases by nonprofits:

23 (1) Purchases for Use or Consumption. -- Nonprofit entities are not exempt from paying sales and use
24 tax. Purchases of taxable items by nonprofit entities for use or consumption are subject to the
25 applicable rates of sales and use tax. Any nonprofit entity making taxable purchases from a seller
26 that does not collect North Carolina sales and use tax is required to register with the Department and
27 file returns in accordance with 17 NCAC 07B .0104, and pay the use tax due on such purchases. A
28 nonprofit entity must pay sales tax charged on its purchases and is liable for use tax on its purchases
29 when no sales tax is collected. A nonprofit entity that owes use tax must file a return in accordance
30 with 17 NCAC 7B .0104.

31 (2) Purchases for Resale. -- Nonprofit entities that make purchases of items for the purpose of resale
32 may purchase such items exempt from sales and use tax in accordance with 17 NCAC 07B .0106.

33 (c) Real property contracts with nonprofits:

34 (1) Retail sales of building materials, supplies, fixtures, and equipment to contractors or other persons
35 for use in the performance of real property contracts with a nonprofit entity are subject to sales and
36 use [tax,]tax, pursuant to G.S. 105-164.4H.

1 (2) Purchases of building materials, supplies, fixtures, and equipment by real property contractors or
2 other persons for use in the performance of real property contracts with a nonprofit entity are subject
3 to sale and use [tax.]tax, pursuant to G.S. 105-164.4H.

4 ~~(b) Sales By Nonprofits. Sales by nonprofit entities are subject to sales or use tax unless a specific~~
5 ~~exemption applies to the sale. A nonprofit entity that makes taxable retail sales must register with the~~
6 ~~Department and file sales and use tax returns. A nonprofit entity that is registered with the Department may~~
7 ~~execute a Streamlined Sales Tax Agreement Certificate of Exemption, form E 595E. The certificate shall~~
8 ~~not be used for items the nonprofit entity intends to use or consume.~~

9
10 History Note: Authority G.S. 105-164.3; 105-164.4; 105-164.4H; 105-164.6; 105-164.13; 105-164.28; 105-
11 164.29; 105-262; 105-264; [Chapter 105, Articles 39, 40, 42, 43, and 46;] Article 39; Article 40;
12 Article 42; Article 43; Article 44; 105-467; 105-468; 105-469; 105-483; 105-498; 105-507.2; 105-
13 509.1; 105-510.1; 105-511.3; 105-537; 105-538;
14 Eff. February 1, 1976;
15 Amended Eff. April 1, 2006; July 1, 2000; October 1, 1993; October 1, 1991; January 1, 1982; July
16 5, ~~1980~~1980;
17 Readopted Eff. January 1, 2024.

1 17 NCAC 07B .1605 is readopted with substantive changes pursuant to G.S. 150B-21.3A(c)(2)g without notice
2 pursuant to G.S. 150B-1(D)(4) as follows:

3
4 **17 NCAC 07B .1605 ~~CLUBS; ASSOCIATIONS; ETC.~~ SALES BY NONPROFIT ENTITIES**

5 ~~Clubs, lodges, parents and teachers associations, scout councils and similar organizations which~~ Nonprofit entities as
6 defined in 17 NCAC 07B .1601(a) that make regular retail sales of taxable tangible personal property must shall
7 register with the Department of Revenue and pay the Department and file sales and use tax returns in accordance with
8 17 NCAC 07B .0104, and collect and remit the applicable sales tax on such sales except as provided by G.S.
9 105-164.13(34) and G.S. 105-164.13(35) due, unless specifically exempt by statute.

10
11 *History Note:* Authority G.S. 105-164.4; 105-164.8; 105-164.29; 105-262; 105-264; [Chapter 105, Articles 39,
12 40, 42, 43, and 46;] 105-467; 105-468; 105-469; 105-483; 105-498; 105-507.2; 105-509.1; 105-
13 510.1; 105-511.3; 105-537; 105-538;

14 *Eff. February 1, 1976;*

15 *Amended Eff. January 1, 1982; July 5, ~~1980-1980~~;*

16 *Readopted Eff. January 1, 2024.*

1 17 NCAC 07B .1705 is readopted with substantive changes pursuant to G.S. 150B-21.3A(c)(2)g without notice
2 pursuant to G.S. 150B-1(D)(4) as follows:

3

4 **17 NCAC 07B .1705 HOUSING AUTHORITIES**

5 Sales of ~~taxable tangible personal property~~ items, as the term item is defined in G.S. 105-164.3, to housing authorities
6 created and existing under Chapter 157 of the North Carolina General Statutes for use in carrying on their activities
7 are subject to the **applicable** statutory ~~state and local sales or use tax~~ rates of sales and use tax and such housing
8 authorities are not entitled to refunds under the provisions of G.S. 105-164.14.

9

10 *History Note:* Authority G.S. 105-164.3; 105-164.4; 105-164.6; 105-262; 105-264; [Chapter 105, Articles 39, 40,
11 42, 43, and 46;] Article 39; Article 40; Article 42; Article 43; Article 44; Article 46; 105-467; 105-
12 468; 105-469; 105-483; 105-498; 105-507.2; 105-509.1; 105-510.1; 105-511.3; 105-537; 105-538;
13 *Eff. February 1, 1976;*
14 *Amended Eff. May 1, 2009; October 1, 1993; October 1, 1991; August 1, 1988; March 1, ~~1984~~1984;*
15 *Readopted Eff. January 1, 2024.*

1 17 NCAC 07B .2001 is readopted with substantive changes pursuant to G.S. 150B-21.3A(c)(2)g without notice
2 pursuant to G.S. 150B-1(D)(4) as follows:

3
4 **SECTION .2000 - SALES AND GIFTS BY EMPLOYERS TO EMPLOYEES ~~OR OTHER USERS~~**

5
6 **17 NCAC 07B .2001 SALES TO EMPLOYEES**

7 ~~Sales of tangible personal property by any employer, manufacturer, processor, wholesaler, distributor or jobber to his~~
8 ~~employees or others for use or consumption are subject to the applicable statutory state and local sales or use tax,~~
9 ~~unless specifically exempt, notwithstanding that such sales are infrequent or comprise only a small fraction of the~~
10 ~~vendor's total business, and every employer, manufacturer, processor, wholesaler, distributor or jobber making such~~
11 ~~sales must register with the department and collect and remit the tax due thereon. The fact that any such vendor only~~
12 ~~makes sales to his employees shall not relieve him of this requirement.~~

13 (a) An employer engaged in business in this State shall collect and remit the sales and use tax due on the retail sale of
14 an item, as the term item is defined in G.S. 105-164.3, to an employee. The tax due shall be computed at the applicable
15 State, local, and transit rates of [tax]tax, pursuant to G.S. 105-164.4, on the sales price of the item. Local tax rates by
16 county, including any transit tax can be found on the Department's website at www.ncdor.gov. An employer required
17 to collect sales or use tax shall register with the Department in accordance with 17 NCAC 07B .0104. The fact that an
18 employer's sales are infrequent, comprise only a small fraction of the total business, or are to employees only, shall
19 not relieve an employer of these requirements.

20 (b) Employees shall pay the sales or use tax due on the purchase of an item from their employer. The tax due shall be
21 computed at the [applicable] State, local, and transit rates of tax on the sales price or purchase price of the item. Local
22 tax rates by county, including any transit tax can be found on the Department's website at www.ncdor.gov.

23
24 *History Note: Authority G.S. 105-164.3; 105-164.4; 105-164.6; 105-262; 105-264; [Chapter 105, Articles 39, 40,*
25 *42, 43, and 46;] Article 39; Article 40; Article 42; Article 43; Article 44; 105-467; 105-468; 105-*
26 *469; 105-483; 105-498; 105-507.2; 105-509.1; 105-510.1; 105-511.3; 105-537; 105-538;*

27 *Eff. February 1, 1976;*

28 *Amended Eff. April 1, 2006; October 1, 1993; October 1, ~~1991~~, 1991;*

29 *Readopted Eff. January 1, 2024.*

1 17 NCAC 07B .2002 is readopted with substantive changes pursuant to G.S. 150B-21.3A(c)(2)g without notice
2 pursuant to G.S. 150B-1(D)(4) as follows:

3
4 **17 NCAC 07B .2002 GIFTS AND WAGES TO EMPLOYEES AN EMPLOYEE OR OTHER PERSON**

5 Gifts of tangible personal property by any employer, manufacturer, processor, wholesaler, distributor or jobber to his
6 employees or other persons are subject to the applicable statutory state and local sales or use tax, unless the donor paid
7 sales or use tax on the sales or purchase price of the donated property at the time he acquired the same. The tax due
8 by reason of any such gift shall be paid by the donor and shall be computed on the donor's cost price of the property
9 donated, irrespective of whether fabricated, produced, manufactured or processed by the donor, or acquired elsewhere.
10 An employer shall pay the sales or use tax due on the purchase of an item, as the term item is defined in G.S. 105-
11 164.3, that is provided to an employee or other person as a gift or as compensation. The tax due shall be computed at
12 the applicable State, local, and transit rates of sales and use ~~tax~~ tax, pursuant to G.S. 105-164.4, on the sales price or
13 purchase price of the item given away, irrespective of whether the item is fabricated, produced, manufactured, or
14 processed by the employer, or acquired elsewhere. Local tax rates by county, including any transit tax can be found
15 on the Department's website at www.ncdor.gov.

16
17 *History Note:* *Authority G.S. 105-164.3; 105-164.4; 105-164.4B; 105-164.6; 105-262; 105-264; [Chapter 105,*
18 *Articles 39, 40, 42, 43, and 46;]Article 39; Article 40; Article 42; Article 43; Article 44; 105-467;*
19 *105-468; 105-469; 105-483; 105-498; 105-507.2; 105-509.1; 105-510.1; 105-511.3; 105-537; 105-*
20 *538;*
21 *Eff. February 1, 1976;*
22 *Amended Eff. April 1, 2006; October 1, 1993; October 1, ~~1991~~-1991;*
23 *Readopted Eff. January 1, 2024.*
24

1 17 NCAC 07B .2204 is readopted with substantive changes pursuant to G.S. 150B-21.3A(c)(2)g without notice
2 pursuant to G.S. 150B-1(D)(4) as follows:

3

4 **17 NCAC 07B .2204 ~~MEALS SALES OF FOOD ON TRAINS: PLANES;~~ TRAINS, PLANES, ETC.**

5 ~~Sales~~ Retail sales of food and prepared foods ~~food or meals~~ by railroads, ~~Pullman cars, steamships, airlines~~ ships,
6 airlines, or other transportation ~~company~~ diners, companies while within this ~~state,~~ State, are subject to the applicable
7 ~~statutory state and local~~ rates of sales or ~~and~~ use tax.

8

9 *History Note:* *Authority G.S. 105-164.4; 105-262; 105-264; Article 39; Article 40; Article 42; Article 43; Article*
10 *44; Article 46; [Chapter 105, Articles 39, 40, 42, 43, and 46;] 105-467; 105-468; 105-469; 105-*
11 *483; 105-498; 105-507.2; 105-509.1; 105-510.1; 105-511.3; 105-537; 105-538;*

12 *Eff. February 1, 1976;*

13 *Amended Eff. May 1, 2009; October 1, 1993; October 1, ~~1991-1991;~~*

14 *Readopted Eff. January 1, 2024.*

1 17 NCAC 07B .4109 is readopted with substantive changes pursuant to G.S. 150B-21.3A(c)(2)g without notice
2 pursuant to G.S. 150B-1(D)(4) as follows:

3

4 **17 NCAC 07B .4109 BLUEPRINTS SOLD TO ARCHITECTS**

5 Sales of blueprints, photographs and other ~~tangible personal property~~ items, as the term item is defined in G.S. 105-
6 164.3, to an architectural or engineering firm for use or consumption and not for resale are subject to the general State,
7 and applicable statutory state and local and transit rates of sales or and use tax. Local tax rates by county, including
8 any transit tax can be found on the Department's website at www.ncdor.gov.

9

10 *History Note:* Authority G.S. 105-164.4; 105-164.6; 105-262; 105-264; ~~Article 39; Article 40; Article 42; Article~~
11 ~~43; Article 44;~~ [Chapter 105, Articles 39, 40, 42, 43, and 46;] 105-467; 105-468; 105-469; 105-
12 483; 105-498; 105-507.2; 105-509.1; 105-510.1; 105-511.3; 105-537; 105-538;
13 *Eff. February 1, 1976;*
14 *Amended Eff. September 1, 2006; October 1, 1993; October 1, ~~1991~~ 1991;*
15 *Readopted Eff. January 1, 2024.*