

Article 2.

Privilege Taxes.

**§ 105-33. Taxes under this Article.**

(a) General. – Taxes in this Article are imposed for the privilege of carrying on the business, exercising the privilege, or doing the act named.

(b) License Taxes. – A license tax imposed by this Article is an annual tax. The tax is due by July 1 of each year. The tax is imposed for the privilege of engaging in a specified activity during the fiscal year that begins on the July 1 due date of the tax. The full amount of a license tax applies to a person who, during a fiscal year, begins to engage in an activity for which this Article requires a license. Before a person engages in an activity for which this Article requires a license, the person must obtain the required license.

(c) Other Taxes. – The taxes imposed by this Article on a percentage basis or another basis are due as specified in this Article.

(d) Repealed by Session Laws 1998-95, s. 2.

(e) Repealed by Session Laws 1989, c. 584, s. 1.

(f), (g) Repealed by Session Laws 1998-95, s. 2.

(h) Liability Upon Transfer. – A grantee, transferee, or purchaser of any business or property subject to the State taxes imposed in this Article must make diligent inquiry as to whether the State tax has been paid. If the business or property has been granted, sold, transferred, or conveyed to an innocent purchaser for value and without notice that the vendor owed or is liable for any of the State taxes imposed under this Article, the property, while in the possession of the innocent purchaser, is not subject to any lien for the taxes.

(i), (j) Repealed by Session Laws 1998-95, s. 2.

(k) Repealed by Session Laws 1987, c. 190. (1939, c. 158, s. 100; 1943, c. 400, s. 2; 1951, c. 643, s. 2; 1953, c. 981, s. 1; 1963, c. 294, s. 3; 1973, c. 476, s. 193; 1977, c. 657, s. 1; 1981, c. 83, ss. 1, 2; 1985, c. 114, s. 10; 1985 (Reg. Sess., 1986), c. 826, ss. 1, 2; c. 934, s. 3; 1987, c. 190; 1989, c. 584, s. 1; 1989 (Reg. Sess., 1990), c. 814, s. 1; 1991 (Reg. Sess., 1992), c. 981, s. 1; 1993, c. 539, s. 688; 1994, Ex. Sess., c. 24, s. 14(c); 1996, 2nd Ex. Sess., c. 14, ss. 18, 19; 1998-95, ss. 1, 2.)

**§ 105-33.1. Definitions.**

The following definitions apply in this Article:

(1) City. – Defined in G.S. 105-228.90.

(1a) Code. – Defined in G.S. 105-228.90.

(2) Repealed by Session Laws 1998-95, s. 3.

(3) Person. – Defined in G.S. 105-228.90.

(4) Secretary. – Defined in G.S. 105-228.90. (1991, c. 45, s. 1; 1991 (Reg. Sess., 1992), c. 922, s. 2; 1993, c. 12, s. 3; c. 354, s. 6; 1998-95, s. 3.)

**§ 105-34: Repealed by Session Laws 1979, c. 63.**

**§ 105-35: Repealed by Session Laws 1979, c. 72.**

**§§ 105-36 through 105-37: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-37.1:** Repealed by Session Laws 2013-316, s. 5(a), effective January 1, 2014, and applicable to gross receipts derived from an admission charge sold at retail on or after that date.

**§ 105-37.2: Repealed by Session Law 1998-96, s. 3.**

**§ 105-38: Repealed by Session Laws 1999-337, s. 14(b).**

**§ 105-38.1:** Repealed by Session Laws 2013-316, s. 5(a), effective January 1, 2014, and applicable to gross receipts derived from an admission charge sold at retail on or after that date.

**§ 105-39. Repealed by Session Laws 1987 (Reg. Sess., 1988), c. 1082, s. 1.)**

**§ 105-40:** Repealed by Session Laws 2013-316, s. 5(a), effective January 1, 2014, and applicable to gross receipts derived from an admission charge sold at retail on or after that date.

**§ 105-41. Attorneys-at-law and other professionals.**

(a) Every individual in this State who practices a profession or engages in a business and is included in the list below must obtain from the Secretary a statewide license for the privilege of practicing the profession or engaging in the business. A license required by this section is not transferable to another person. The tax for each license is fifty dollars (\$50.00).

- (1) An attorney-at-law.
- (2) **(Applicable to taxable years beginning before July 1, 2018)** A physician, a veterinarian, a surgeon, an osteopath, a chiropractor, a chiropodist, a dentist, an ophthalmologist, an optician, an optometrist, or another person who practices a professional art of healing.
- (2) **(Applicable to taxable years beginning on or after July 1, 2018)** A physician, a veterinarian, a surgeon, an osteopath, a chiropractor, a chiropodist, a dentist, an ophthalmologist, an optician, an optometrist, a massage and bodywork therapist, or another person who practices a professional art of healing.
- (3) A professional engineer, as defined in G.S. 89C-3.
- (4) A registered land surveyor, as defined in G.S. 89C-3.
- (5) An architect.
- (6) A landscape architect.
- (7) A photographer, a canvasser for any photographer, or an agent of a photographer in transmitting photographs to be copied, enlarged, or colored.
- (8) A real estate broker as defined in G.S. 93A-2. A real estate broker who is also a real estate appraiser is required to obtain only one license under this section to cover both activities.
- (9) A real estate appraiser, as defined in G.S. 93E-1-4. A real estate appraiser who is also a real estate broker is required to obtain only one license under this section to cover both activities.
- (10) A person who solicits or negotiates loans on real estate as agent for another for a commission, brokerage, or other compensation.
- (11) A funeral director, an embalmer, or a funeral service licensee licensed under G.S. 90-210.25.

- (12) An individual licensed under Article 9F of Chapter 143 of the General Statutes, the Home Inspector Licensure Act.
- (b) The following persons are exempt from the tax:
  - (1) A person who is at least 75 years old.
  - (2) A person practicing the professional art of healing for a fee or reward, if the person is an adherent of an established church or religious organization and confines the healing practice to prayer or spiritual means.
  - (3) A blind person engaging in a trade or profession as a sole proprietor. A "blind person" means any person who is totally blind or whose central visual acuity does not exceed 20/200 in the better eye with correcting lenses, or where the widest diameter of visual field subtends an angle no greater than 20 degrees. This exemption shall not extend to any sole proprietor who permits more than one person other than the proprietor to work regularly in connection with the trade or profession for remuneration or recompense of any kind, unless the other person in excess of one so remunerated is a blind person.

(c) Every person engaged in the public practice of accounting as a principal, or as a manager of the business of public accountant, shall pay for such license fifty dollars (\$50.00), and in addition shall pay a license of twelve dollars and fifty cents (\$12.50) for each person employed who is engaged in the capacity of supervising or handling the work of auditing, devising or installing systems of accounts.

(d) Repealed by Session Laws 1998-95, s. 7, effective July 1, 1999.

(e) Licenses issued under this section are issued as personal privilege licenses and shall not be issued in the name of a firm or corporation. A licensed photographer having a located place of business in this State is liable for a license tax on each agent or solicitor employed by the photographer for soliciting business. If any person engages in more than one of the activities for which a privilege tax is levied by this section, the person is liable for a privilege tax with respect to each activity engaged in.

(f) Repealed by Session Laws 1981, c. 17.

(g) Repealed by Session Laws 1998-95, s. 7, effective July 1, 1999.

(h) Counties and cities may not levy any license tax on the business or professions taxed under this section.

(i) Obtaining a license required by this Article does not of itself authorize the practice of a profession, business, or trade for which a State qualification license is required. (1939, c. 158, s. 109; 1941, c. 50, s. 3; 1943, c. 400, s. 2; 1949, c. 683; 1953, c. 1306; 1957, c. 1064; 1973, c. 476, s. 193; 1981, c. 17; c. 83, ss. 4, 5; 1989, c. 584, s. 7; 1991 (Reg. Sess., 1992), c. 974, s. 1; 1993, c. 419, s. 13.2; 1998-95, s. 7; 2002-158, s. 3; 2005-276, s. 23A.1(b); 2008-206, s. 1; 2009-445, s. 1; 2011-330, s. 6; 2017-39, s. 9; 2017-151, s. 4; 2018-5, s. 38.2(h).)

**§ 105-41.1. Repealed by Session Laws 1975, c. 619, s. 2, effective October 1, 1975.**

**§ 105-42: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-43. Repealed by Session Laws 1973, c. 1195, s. 8.**

**§ 105-44: Repealed by Session Laws 1981 (Regular Session, 1982), c. 1228.**

**§§ 105-45 through 46: Repealed by Session Laws 1996, Second Extra Session, c.14, s. 17.**

**§ 105-47: Repealed by Session Laws 1979, c. 69.**

**§ 105-48: Repealed by Session Laws 1979, c. 67.**

**§ 105-48.1: Repealed by Session Laws 1981, c. 7.**

**§ 105-49: Repealed by Session Laws 1989, c. 584, s. 10.**

**§ 105-50: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-51: Repealed by Session Laws 1989, c. 584, s. 12.**

**§ 105-51.1: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-52: Repealed by Session Laws 1979, c. 16, s. 1.**

**§§ 105-53 through 105-55: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-56: Repealed by Session Laws 1981, c. 5.**

**§ 105-57: Repealed by Session Laws 1987 (Reg. Sess., 1988), c. 1081, s. 1.**

**§ 105-58: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-59: Repealed by Session Laws 1981 (Regular Session, 1982), c. 1282, s. 44.**

**§§ 105-60 through 105-61: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-61.1: Repealed by Session Laws 1989, c. 584, s. 17.**

**§ 105-62: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-63: Repealed by Session Laws 1979, c. 65.**

**§ 105-64: Repealed by Session Laws 1989, c. 584, s. 19.**

**§ 105-64.1: Repealed by Session Laws 1989, c. 584, s. 19.**

**§§ 105-65 through 105-65.1: Repealed by Session Laws 1996, Second Extra Session, c. 14, s.17.**

**§ 105-65.2: Repealed by Session Laws 1989, c. 584, s. 19.**

**§ 105-66: Repealed by Session Laws 1989, c. 584, s. 19.**

**§ 105-66.1: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-67: Repealed by Session Laws 1991 (Regular Session, 1992), c. 965, s. 1.**

**§ 105-68: Repealed by Session Laws 1981 (Regular Session, 1982), c. 1229.**

**§ 105-69: Repealed by Session Laws 1973, c. 1200, s. 1.**

**§ 105-70: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-71: Repealed by Session Laws 1979, c. 70.**

**§ 105-72: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-73. Repealed by Session Laws 1957, c. 1340, ss. 2, 9.**

**§ 105-74: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-75: Repealed by Session Laws 1979, 2nd Session, c. 1304, s. 1.**

**§ 105-75.1: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-76: Repealed by Session Laws 1979, c. 62.**

**§ 105-77: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-78: Repealed by Session Laws 1979, c. 66.**

**§ 105-79: Repealed by Session Laws 1979, c. 150, s. 4.**

**§ 105-80: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-81. Repealed by Session Laws 1947, c. 501, s. 2.**

**§ 105-82: Repealed by Session Laws 1989, c. 584, s. 24.**

**§ 105-83. Installment paper dealers.**

(a) Every person engaged in the business of dealing in, buying, or discounting installment paper, notes, bonds, contracts, or evidences of debt for which, at the time of or in connection with the execution of the instruments, a lien is reserved or taken upon personal property located in this State to secure the payment of the obligations, shall submit to the Secretary quarterly no later than the twentieth day of January, April, July, and October of each year, upon forms prescribed by the Secretary, a full, accurate, and complete statement, verified by the officer, agent, or person making the statement, of the total face value of the obligations dealt in, bought, or discounted within the

preceding three calendar months and, at the same time, shall pay a tax of two hundred seventy-seven thousandths of one percent (.277%) of the face value of these obligations.

(b) Repealed by Session Laws 1998-95, s. 9, effective July 1, 1999.

(c) If any person deals in, buys, or discounts any obligations described in this section without paying a tax imposed by this section, the person may not bring an action in a State court to enforce collection of an obligation dealt in, bought, or discounted during the period of noncompliance with this section until the person pays the amount of tax, penalties, and interest due.

(d) This section does not apply to the following:

(1) Banks. For purposes of this subdivision, the term "bank" has the same meaning as defined in G.S. 105-130.7B(b).

(2) Savings and loan associations.

(e) Counties and cities shall not levy any license tax on the business taxed under this section. (1939, c. 158, s. 148; 1957, c. 1340, s. 2; 1973, c. 476, s. 193; 1981, c. 83, ss. 8, 9; 1991, c. 45, s. 3; 1991 (Reg. Sess., 1992), c. 965, s. 3; 1998-95, s. 9; 1998-98, s. 1(f); 2021-180, s. 42.13B(a).)

**§ 105-84: Repealed by Session Laws 1979, c. 150, s. 5.**

**§§ 105-85 through 105-86: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-87: Repealed by Session Laws 1981, c. 6.**

**§ 105-88. Loan agencies.**

(a) Every person, firm, or corporation engaged in any of the following businesses must pay for the privilege of engaging in that business an annual tax of two hundred fifty dollars (\$250.00) for each location at which the business is conducted:

(1) The business of making loans or lending money, accepting liens on, or contracts of assignments of, salaries or wages, or any part thereof, or other security or evidence of debt for repayment of such loans in installment payment or otherwise.

(2) The business of check cashing regulated under Article 22 of Chapter 53 of the General Statutes.

(3) The business of pawnbroker regulated under Part 1 of Article 45 of Chapter 66 of the General Statutes.

(b) This section does not apply to banks, industrial banks, trust companies, savings and loan associations, cooperative credit unions, the business of negotiating loans on real estate as described in G.S. 105-41, or insurance premium finance companies licensed under Article 35 of Chapter 58 of the General Statutes. This section applies to those persons or concerns operating what are commonly known as loan companies or finance companies and whose business is as hereinbefore described, and those persons, firms, or corporations pursuing the business of lending money and taking as security for the payment of the loan and interest an assignment of wages or an assignment of wages with power of attorney to collect the amount due, or other order or chattel mortgage or bill of sale upon household or kitchen furniture. No real estate mortgage broker is required to obtain a privilege license under this section merely because the broker advances the broker's own funds and takes a security interest in real estate to secure the advances and when, at the time of the advance, the broker has already made arrangements with others for the sale or

discount of the obligation at a later date and does so sell or discount the obligation within the period specified in the arrangement or extensions thereof; or when, at the time of the advance the broker intends to sell the obligation to others at a later date and does, within 12 months from date of initial advance, make arrangements with others for the sale of the obligation and does sell the obligation within the period specified in the arrangement or extensions thereof; or because the broker advances the broker's own funds in temporary financing directly involved in the production of permanent-type loans for sale to others; and no real estate mortgage broker whose mortgage lending operations are essentially as described above is required to obtain a privilege license under this section.

(c) At the time of making any such loan, the person, or officer of the firm or corporation making the loan, shall give to the borrower in writing in convenient form a statement showing the amount received by the borrower, the amount to be paid back by the borrower, the time in which the amount is to be paid, and the rate of interest and discount agreed upon.

(d) A loan made by a person who does not comply with this section is not collectible at law under G.S. 105-269.13.

(e) Repealed by Session Laws 2014-3, s. 12.3(b), effective July 1, 2015. See note for applicability. (1939, c. 158, s. 152; 1967, c. 1080; c. 1232, s. 2; 1973, c. 476, s. 193; 1991, c. 45, s. 4; 1993, c. 539, s. 695; 1994, Ex. Sess., c. 24, s. 14(c); 1998-98, s. 1(g); 1999-438, s. 2; 2000-120, s. 3; 2000-173, s. 2; 2012-46, s. 25; 2014-3, s. 12.3(b).)

**§§ 105-89 through 105-90: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-90.1: Repealed by Session Laws 1989 (Regular Session, 1990), c. 814, s. 4.**

**§ 105-91: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-92: Repealed by Session Laws 1981 (Regular Session, 1982), c. 1227.**

**§ 105-93: Repealed by Session Laws 1979, c. 68.**

**§ 105-94. Repealed by Session Laws 1947, c. 501, s. 2.**

**§ 105-95. Repealed by Session Laws 1947, c. 831, s. 2.**

**§ 105-96: Repealed by Session Laws 1981 (Regular Session, 1982), c. 1231.**

**§§ 105-97 through 105-99: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-100: Repealed by Session Laws 1979, c. 64.**

**§ 105-101: Repealed by Session Laws 1979, c. 85, s. 1.**

**§ 105-102: Repealed by Session Laws 1981 (Regular Session, 1982), c. 1230.**

**§ 105-102.1: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-102.2: Repealed by Session Laws 1981 (Regular Session, 1982), c. 1213.**

**§ 105-102.3:** Repealed by Session Laws 2015-241, s. 32.13(g), as amended by Session Laws 2015-268, s. 10.1(h), effective June 30, 2016.

**§ 105-102.4: Repealed by Session Laws 1989, c. 584, s. 35.**

**§ 105-102.5: Repealed by Session Laws 1996, Second Extra Session, c. 14, s. 17.**

**§ 105-102.6:** Repealed by Session Laws 2015-286, s. 4.11(a), effective October 22, 2015.

**§ 105-103. Unlawful to operate without license.**

When a license tax is required by law, and whenever the General Assembly shall levy a license tax on any business, trade, employment, or profession, or for doing any act, it shall be unlawful for any person, firm, or corporation without a license to engage in such business, trade, employment, profession, or do the act; and when such tax is imposed it shall be lawful to grant a license for the business, trade, employment, or for doing the act; and no person, firm, or corporation shall be allowed the privilege of exercising any business, trade, employment, profession, or the doing of any act taxed in this schedule throughout the State under one license, except under a statewide license. (1939, c. 158, s. 181; 1998-98, s. 41.)

**§ 105-104:** Repealed by Session Laws 2007-491, s. 2, effective January 1, 2008.

**§ 105-105. Persons, firms, and corporations engaged in more than one business to pay tax on each.**

Where any person, firm, or corporation is engaged in more than one business, trade, employment, or profession which is made under the provisions of this Article subject to State license taxes, such persons, firms, or corporations shall pay the license tax prescribed in this Article for each separate business, trade, employment, or profession. (1939, c. 158, s. 183.)

**§ 105-106. Effect of change in name of firm.**

No change in the name of a firm, partnership, or corporation, nor the taking in of a new partner, nor the withdrawal of one or more of the firm, shall be considered as commencing business; but if any one or more of the partners remain in the firm, or if there is change in ownership of less than a majority of the stock, if a corporation, the business shall be regarded as continuing. (1939, c. 158, s. 184.)

**§ 105-107: Repealed by Session Laws 1998-95, s. 12, effective July 1, 1999.**

**§ 105-108. Property used in a licensed business not exempt from taxation.**

A State license, issued under any of the provisions of this Article shall not be construed to exempt from other forms of taxation the property employed in such licensed business, trade, employment, or profession. (1939, c. 158, s. 186.)

**§ 105-109. Obtaining license and paying tax.**

(a) Repealed by Session Laws 1998-95, s. 13, effective July 1, 1999.



(b) License Required. – Before a person may engage in a business, trade, or profession for which a license is required under this Article, the person must be licensed by the Department. To obtain a license, a person must submit an application to the Department for the license and pay the required tax. An application for a license is considered a return.

The Department must issue a license to a person who files a completed application and pays the required tax. A license must be displayed conspicuously at the location of the licensed business, trade, or profession.

(c) Repealed by Session Laws 1998-212, s. 29A.14(a), effective January 1, 1999.

(d) Penalties. – The penalties in G.S. 105-236 apply to this Article. The Secretary may collect a tax due under this Article in any manner allowed under Article 9 of this Chapter.

(e) Repealed by Session Laws 2014-3, s. 12.3(b), effective July 1, 2015. See note for applicability. (1939, c. 158, s. 187; 1957, c. 859; 1963, c. 294, s. 5; 1973, c. 108, s. 51; c. 476, s. 193; 1993, c. 539, ss. 698, 699; 1994, Ex. Sess., c. 24, s. 14(c); 1998-95, s. 13; 1998-212, s. 29A.14(a); 2007-491, s. 7; 2014-3, s. 12.3(b).)

§ 105-109.1. Repealed by Session Laws 1999-337, s. 16..

§ 105-110: Repealed by Session Laws 1998-212, s. 29A.14(b).

§ 105-111: Repealed by Session Laws 2001-414, s. 2.

§ 105-112: Repealed by Session Laws 1998-212, s. 29A.14(c).

§ 105-113. Repealed by Session Laws 1999-337, s. 17.

§ 105-113.1: Deleted.