

Article 53.

Rounding of Cash Transactions.

§ 66-535. Rounding of cash transactions.

(a) Definitions. – The following definitions apply in this section:

(1) Cash. – As defined in 12 U.S.C. § 4001.

(2) Entity. – Any of the following:

- a. A private entity, or its employees or contractors, engaged in business with the public that accepts cash payments.
- b. A unit, department, or agency of the State government, or any division or subdivision of the unit, department, or agency, or a unit of local government, when the entity is engaged in business as a retailer and accepts cash as a method of payment. For purposes of this section, an entity does not include an ABC store.

(3) Total transaction amount. – The final amount due from the customer, including all applicable taxes and fees.

(b) Application. – If the one-cent piece is no longer in production, an entity may, in accordance with this section, round the total transaction amount to the nearest five-cent interval in lieu of calculating the total transaction amount to the nearest one-cent interval. The following principles apply under this section:

(1) The hundredths place is used to determine the cents in which the final digit of the total transaction amount ends.

(2) Rounding to the nearest five-cent interval may apply to the amount of the total transaction amount or to the amount of change tendered to the purchaser.

(3) Rounding to the nearest five-cent interval does not apply to a transaction for which payment is made by a noncash method, including electronic funds transfer, check, gift card, money order, credit card, debit card, electronic payment, or other noncash payment method. In a mixed tender transaction, rounding applies only to the portion of the transaction paid in cash.

(4) The total transaction amount of a cash transaction may be paid by the customer without any rounding adjustment, at the customer's option, if the customer has the exact legal tender to pay the total transaction amount.

(5) A unit, department, or agency of the State government, or any division or subdivision of the unit, department, or agency, and a unit of local government shall retain the funds derived from rounding up cash transactions.

(c) Rounding Methodology. – An entity that rounds a cash transaction as permitted by this section must use the following methodology:

(1) Rounding down. – If the final digit of the total transaction amount of a cash transaction ends in one cent, two cents, six cents, or seven cents, the final digit must be rounded down to the nearest five-cent interval.

(2) Rounding up. – If the final digit of the total transaction amount of a cash transaction ends in three cents, four cents, eight cents, or nine cents, the final digit must be rounded up to the nearest five-cent interval.

(3) No rounding. – If the final digit of the total transaction amount of a cash transaction ends in zero cents or five cents, the final digit may not be rounded up or down.

(d) No Effect on Sales Price or Sales Tax. – Rounding to the nearest five-cent interval under this section does not alter the sales price, the amount of tax owed or collected under Article 5 of Chapter 105 of the General Statutes, or any surcharges, assessments, or fees imposed on the sale. This section does not affect the rounding rule in G.S. 105-164.10 for computing the sales tax due in a transaction and does not relieve retailers from the duty to calculate sales tax in accordance with G.S. 105-164.10 and remit to the Department of Revenue the exact amount of sales tax shown on an invoice or receipt. Nothing in this section authorizes the rounding of the amount of sales tax due.

(e) No Effect on Noncash Transactions. – Rounding to the nearest five-cent interval does not alter or affect the exact amounts authorized, cleared, or settled through any noncash payment system or electronic transaction.

(f) No Civil Cause of Action. – There is no civil cause of action against an entity based on a rounding adjustment done in accordance with this section. (2026-31, s. 14(a).)