

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 1812

Short Title: No Sales Tax on Donations.

(Public)

Sponsors: Representatives Allred; Cole, Hurley, Morris, Capps, Davis, Rayfield, and Sexton.

Referred to: Finance.

May 30, 2000

1 A BILL TO BE ENTITLED
2 AN ACT TO EXPAND THE SALES TAX EXEMPTION FOR BUSINESSES THAT
3 DONATE INVENTORY FOR CHARITABLE CAUSES.

4 The General Assembly of North Carolina enacts:

5 Section 1. G.S. 105-164.13(42) reads as rewritten:

6 "**§ 105-164.13. Retail sales and use tax.**

7 The sale at retail, the use, storage or consumption in this State of the following
8 tangible personal property is specifically exempted from the tax imposed by this Article:

9 ...
10 (42) Tangible personal property that is purchased by a retailer for resale or is
11 manufactured or purchased by a wholesale merchant for resale and then
12 withdrawn from inventory and donated by the retailer or wholesale
13 merchant to ~~either a governmental entity or a nonprofit organization,~~
14 any entity contributions to which are deductible as charitable
15 contributions for federal income tax purposes."

16 Section 2. This act is effective when it becomes law.