GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2003

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HOUSE DRH60276-LC-109 (04/01)

Short Title: Utility Equipment Trade-In Allowance.

(Public)

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Sponsors:	Representative Lewis.
Referred to:	

1	A BILL TO BE ENTITLED		
2	AN ACT TO SUBTRACT ANY TRADE-IN ALLOWANCE WHEN COMPUTING		
3	SALES TAX ON LIGHT UTILITY EQUIPMENT.		
4	The General Assembly of North Carolina enacts:		
5	SECTION 1. G.S. 105-164.3 is amended by adding a new subdivision to		
6	read:		
7	"§ 105-164.3. Definitions.		
8	The following definitions apply in this Article:		
9			
10	(17b) Light utility equipment. – Equipment that is self-propelled, has an		
11	engine of no more than 160 net horsepower, and is not designed		
12	primarily for transportation or recreation."		
13	SECTION 2. G.S. 105-164.3(37) reads as rewritten:		
14	"(37) Sales price. – The total amount or consideration for which personal		
15	property or services are sold, leased, or rented. The consideration may		
16	be in the form of cash, credit, property, or services. The sales price		
17	must be valued in money, regardless of whether it is received in		
18	money.		
19	a. The term includes all of the following:		
20	1. The retailer's cost of the property sold.		
21	2. The cost of materials used, labor or service costs,		
22	interest, losses, all costs of transportation to the retailer,		
23	all taxes imposed on the retailer, and any other expense		
24	of the retailer.		
25	3. Charges by the retailer for any services necessary to		
26	complete the sale.		
27	4. Delivery charges.		

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1	5.	Installation charges.
2	6.	The value of exempt personal property given to the
3		consumer when taxable and exempt personal property
4		are bundled together and sold by the retailer as a single
5		product or piece of merchandise.
6	b. The te	erm does not include any of the following:
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7	1.	Discounts, including cash, term, or coupons, that are not
8		reimbursed by a third party, are allowed by the retailer,
9		and are taken by a consumer on a sale.
10	2.	Interest, financing, and carrying charges from credit
11		extended on the sale, if the amount is separately stated
12		on the invoice, bill of sale, or a similar document given
13		to the consumer.
14	3.	Any taxes imposed directly on the consumer that are
15		separately stated on the invoice, bill of sale, or similar
16		document given to the consumer.
17	<u>4.</u>	In the case of a sale of light utility equipment, the
18		amount of any allowance given by the retailer for light
19		utility equipment taken in trade as a partial payment for
20		the sold equipment, not to exceed the fair market value
21		of the traded equipment."
22	SECTION 3. This	s act becomes effective July 1, 2003, and applies to sales
23	made on or after that date.	