March 2, 2005

H 443. EFFICIENCY: SCHOOL BOARD SALES TAX. *TO PROMOTE EFFICIENCY IN GOVERNMENT BY ALLOWING A SALES AND USE TAX EXEMPTION FOR LOCAL SCHOOL BOARDS INSTEAD OF A SALES AND USE TAX REFUND TO LOCAL SCHOOL BOARDS AND TO MODIFY THE SCHOOL ADMISSION REQUIREMENTS TO ENSURE THAT ALL STUDENTS ARE READY TO ENTER KINDERGARTEN.* Amends GS 105-164.13, effective July 1, 2005, exempting local school administrative units from sales and use taxes when items are purchased for unit's use either through valid purchase order that contains unit's exemption number or by unit's check, electronic deposit, procurement or credit card, or credit account and the unit provides the retailer with its exemption number. Provides that tax exemption is inapplicable to purchase of electricity and telecommunications services. Effective January 1, 2005, establishes procedure for obtaining sales tax exemption number from Dep't of Revenue. Requires that unit must pay tax plus interest on any unused items purchased with exemption number. Also amends GS 115C-364 to provide that children who reach the age of five on or before September 16 (was, October 16) of school year are eligible for entry into the public schools, effective January 1, 2005.

Intro. by Pate.

Ref. to Education GS 105, 115C