

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE DRH70758-MC~~x~~-29 (5/16)

Short Title: No Sales Tax Refund for Alcohol Sales. (Public)

Sponsors: Representatives Luebke, Bordsen, and Lucas (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED
AN ACT TO MAKE CERTAIN REVISIONS FOR PURPOSES OF SALES AND USE
TAXES FOR NONPROFIT ENTITIES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-164.14 is amended by adding a new subsection to read:

"(d1) Alcoholic Beverages. – The refunds authorized by this section do not apply to alcoholic beverages, as defined in G.S. 18B-101."

SECTION 2. G.S. 105-164.14(b)(3) reads as rewritten:

"(b) Nonprofit Entities and Hospital Drugs. – A nonprofit entity included in the following list is allowed a semiannual refund of sales and use taxes paid by it under this Article on direct purchases of tangible personal property and services, other than electricity and telecommunications service, for use in carrying on the work of the nonprofit entity:

...

(3) Churches, orphanages, and ~~other charitable or religious institutions and organizations not operated for profit.~~organizations exempt from federal income tax under section 501(c)(3) of the Code."

SECTION 3. G.S. 105-164.13(27) reads as rewritten:

"(27) Meals and food products served to students in dining rooms regularly operated by State or private educational institutions or student organizations thereof. This exemption does not apply to for-profit businesses not located on the campus of the educational institution regardless of whether the educational institution collects payment."

SECTION 4. Section 1 of this act becomes effective July 1, 2006, and applies to purchases made on or after that date. Sections 2 and 3 of this act become

- 1 effective July 1, 2006, and apply to sales made on or after that date. The remainder of
- 2 this act is effective when it becomes law.