

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE DRH80409-MC-169 (05/01)

Short Title: Tax Study of Out-of-State Sales.

(Public)

Sponsors: Representative Stam.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO STUDY PURCHASES OF TANGIBLE PERSONAL PROPERTY TO
OUT-OF-STATE RESIDENTS FOR USE IN ANOTHER STATE.

The General Assembly of North Carolina enacts:

SECTION 1. The Department of Revenue shall study and examine, with the appropriate agencies of neighboring states and taxpayer groups, issues associated with cross-border transactions where property is purchased in one state and used in another state. The Department shall examine the economic effects on retailers in North Carolina that make cross-border deliveries of merchandise and shall recommend possible actions that might be taken to address the avoidance of sales and use tax by retailers and purchasers located near State lines and to improve compliance with, or recommend changes to, existing State laws. The Department shall also consider changes that would ease the burden on retailers that deal with cross-border issues and ways to ensure that North Carolina retailers are not placed at a disadvantage in comparison to retailers in surrounding states.

SECTION 2. The Department of Revenue shall report its findings, together with any recommendations, to the 2008 Regular Session of the 2007 General Assembly.

SECTION 3. This act is effective when it becomes law.