

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013**

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**HOUSE BILL 242**

Short Title: Volunteer Fire Dept. Sales Tax Refund Change. (Public)

Sponsors: Representatives Tine, Setzer, Wray, and Dobson (Primary Sponsors).  
*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Finance, if favorable, Government.

March 7, 2013

A BILL TO BE ENTITLED  
AN ACT TO MAKE TECHNICAL CORRECTIONS TO THE SALES TAX REFUND FOR  
VOLUNTEER FIRE DEPARTMENTS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-164.14(b)(2a) reads as rewritten:

"(b) Nonprofit Entities and Hospital Drugs. – A nonprofit entity 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, telecommunications service, and ancillary service, for use in carrying on the work of the nonprofit entity. Sales and use tax liability indirectly incurred by a nonprofit entity on building materials, supplies, fixtures, and equipment that become a part of or annexed to any building or structure that is owned or leased by the nonprofit entity and is being erected, altered, or repaired for use by the nonprofit entity for carrying on its nonprofit activities is considered a sales or use tax liability incurred on direct purchases by the nonprofit entity. A request for a refund must be in writing and must include any information and documentation required by the Secretary. A request for a refund for the first six months of a calendar year is due the following October 15; a request for a refund for the second six months of a calendar year is due the following April 15.

The refunds allowed under this subsection do not apply to an entity that is owned and controlled by the United States or to an entity that is owned or controlled by the State and is not listed in this subsection. A hospital that is not listed in this subsection is allowed a semiannual refund of sales and use taxes paid by it on medicines and drugs purchased for use in carrying out its work. The following nonprofit entities are allowed a refund under this subsection:

- ...
- (2a) An organization that is ~~exempt from income tax under the Code and is one~~ of the following:
- a. A volunteer fire department.
  - b. A volunteer emergency medical services squad.

...."

**SECTION 2.** This act becomes effective July 1, 2008, and applies to sales made on or after that date. A volunteer fire department that paid tax on tangible personal property and services, other than electricity, telecommunications service, and ancillary service for use in carrying on the work of the volunteer fire department, imposed by Article 5 of Chapter 105 of the General Statutes, may apply to the Department of Revenue for a refund of any tax paid to the extent the refund is the result of the change in the law enacted by this section. A request for a refund for the periods July 1, 2008, through December 31, 2009, must be made on or before



1 January 1, 2014, or is barred. This act does not affect the rights or liabilities of the State, a  
2 taxpayer, or another person arising under a statute amended or repealed by this act before the  
3 effective date of its amendment or repeal; nor does it affect the right to any refund or credit of a  
4 tax that accrued under the amended or repealed statute before the effective date of its  
5 amendment or repeal.