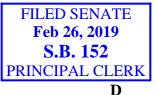
GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2019



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SENATE BILL DRS45065-MCf-97

Short Title:	Restore LEA Sales Tax Refund.	(Public)
Sponsors:	Senators Robinson and Foushee (Primary Sponsors).	
Referred to:		

1 A BILL TO BE ENTITLED 2 AN ACT TO RESTORE THE SALES TAX REFUND AUTHORIZED FOR LOCAL SCHOOL 3 ADMINISTRATIVE UNITS. 4 The General Assembly of North Carolina enacts: 5 **SECTION 1.** Subdivision (2b) of subsection (c) of G.S. 105-164.14 is reenacted as 6 it existed immediately before its repeal. SECTION 2. Subdivision (2c) of subsection (c) of G.S. 105-164.14 is reenacted as 7 8 it existed immediately before its repeal. 9 **SECTION 3.** G.S. 105-467(b) reads as rewritten: 10 Exemptions and Refunds. - The State exemptions and exclusions contained in Article "(b) 11 5 of Subchapter I of this Chapter, except for the exemption for food in G.S. 105-164.13B, apply 12 to the local sales and use tax authorized to be levied and imposed under this Article. The State 13 refund provisions contained in G.S. 105-164.14 and G.S. 105-164.14A apply to the local sales 14 and use tax authorized to be levied and imposed under this Article. A refund of an excessive or 15 erroneous State sales tax collection allowed under G.S. 105-164.11 and a refund of State sales 16 tax paid on a rescinded sale or cancelled service contract under G.S. 105-164.11A apply to the 17 local sales and use tax authorized to be levied and imposed under this Article. The aggregate 18 annual local refund amount allowed an entity under G.S. 105-164.14(b) for the State's fiscal year 19 may not exceed thirteen million three hundred thousand dollars (\$13,300,000). A 20 Except as provided in this subsection, a taxing county may not allow an exemption, exclusion, 21 or refund that is not allowed under the State sales and use tax. A local school administrative unit 22 and a joint agency created by interlocal agreement among local school administrative units pursuant to G.S. 160A-462 to jointly purchase food service-related materials, supplies, and 23

24 equipment on their behalf is allowed an annual refund of sales and use taxes paid by it under this 25 Article on direct purchases of tangible personal property and services. Sales and use tax liability 26 indirectly incurred by the entity as part of a real property contract for real property that is owned 27 or leased by the entity and is a capital improvement for use by the entity is considered a sales or 28 use tax liability incurred on direct purchases by the entity for the purpose of this subsection. The 29 refund allowed under this subsection does not apply to purchases of electricity, 30 telecommunications service, ancillary service, piped natural gas, video programming, or a 31 prepaid meal plan. A request for a refund is due in the same time and manner as provided in G.S. 105-164.14(c). Refunds applied for more than three years after the due date are barred." 32 33 SECTION 4. Effective July 1, 2019, G.S. 105-164.44H is repealed.

34 SECTION 5. Except as otherwise provided, this act becomes effective July 1, 2019,
35 and applies to sales made on or after that date.

