

GENERAL ASSEMBLY OF NORTH CAROLINA  
1987 SESSION

CHAPTER 213  
SENATE BILL 26

AN ACT TO CLARIFY THE PRIVILEGE LICENSE TAX ON PEDDLERS,  
ITINERANT MERCHANTS, AND FLEA MARKET OPERATORS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-53 is rewritten to read:

**"§ 105-53. Peddlers, itinerant merchants, and flea market operators.**—(a) Peddler. Every person engaged in business or employed as a peddler shall obtain a license from the Secretary of Revenue for the privilege of peddling goods and shall pay a tax for the license in the amount specified in this section. A 'peddler' is a person who travels from place to place with an inventory of goods, who sells the goods at retail or offers the goods for sale at retail, and who delivers the identical goods he carries with him. A peddler of only farm products shall pay a tax of twenty-five dollars (\$25.00) regardless of the number of counties in which he peddles goods. A peddler who travels from place to place on foot, selling goods other than or in addition to farm products, shall pay a tax of ten dollars (\$10.00) for each county in which he peddles goods. A peddler who travels from place to place by vehicle, selling goods other than or in addition to farm products, shall pay a tax of twenty-five dollars (\$25.00) for each county in which he peddles goods.

(b) Itinerant Merchant. Every person engaged in business as an itinerant merchant shall obtain a license from the Secretary of Revenue for the privilege of engaging in business and shall pay a tax for the license of one hundred dollars (\$100.00) for each county in which he is engaged in business. An 'itinerant merchant' is a merchant, other than a merchant with an established retail store in the county, who transports an inventory of goods to a building, vacant lot, or other location in a county and who, at that location, displays the goods for sale and sells the goods at retail or offers the goods for sale at retail. An itinerant merchant is not required to purchase a license under this subsection to sell goods or offer goods for sale at a flea market for which the operator has obtained a license under subsection (c). A merchant who sells goods, other than farm products, in a county for less than six consecutive months is considered an itinerant merchant unless he stopped selling goods in that county because of his death or disablement, the insolvency of his business, or destruction of his inventory by fire or other catastrophe.

(c) Flea Market Operator. Every person engaged in business as a flea market operator shall obtain a license from the Secretary of Revenue for the privilege of engaging in business and shall pay a tax for the license of one hundred dollars (\$100.00) for each county in which he is engaged in business. A 'flea market operator' is a person

who rents space, at a location other than a permanent retail store, to others for the purpose of selling goods at retail or offering goods for sale at retail.

(d) Exemptions. This section does not apply to the following:

- (1) Sales of farm and nursery products raised on premises owned or occupied by the seller of the products;
- (2) Sales of printed material, wood for fuel, ice, seafood, meat, poultry, livestock, eggs, dairy products, bread, cakes, or pies;
- (3) Sales of goods made by the seller of the goods; and
- (4) Sales by a person who maintains a fixed, permanent location from which he makes at least ninety percent (90%) of his sales, but who sells some goods in the county of his fixed location by peddling the goods.

(e) The board of county commissioners of any county in this State, upon proper application, may exempt from the annual license tax levied in this section disabled veterans of World War I, World War II, Korean Conflict, and Vietnam Era, who have been bona fide residents of this State for 12 or more months continuously, and widows with dependent children; and when so exempted, the board of county commissioners shall furnish such person or persons with a certificate of exemption, and such certificate shall entitle the holder thereof to peddle within the limits of the county without payment of any license tax to the State.

(f) Person Defined. As used in this section, 'person' has the same meaning as in G.S. 105-164.3(11).

(g) Local License. Counties and cities may levy a license tax on a business taxed under this section in an amount that does not exceed the State tax."

Sec. 2. Chapters 632 and 923 of the 1955 Session Laws are repealed.

Sec. 3. This act shall become effective July 1, 1987.

In the General Assembly read three times and ratified this the 19th day of May, 1987.