

GENERAL ASSEMBLY OF NORTH CAROLINA
1987 SESSION

CHAPTER 854
SENATE BILL 484

AN ACT TO EXEMPT COIN-OPERATED LAUNDRIES FROM SALES TAX AND
TO AMEND THE DEFINITION OF SALES PRICE FOR PURPOSES OF
DETERMINING SALES TAX DUE ON ITEMS SOLD IN VENDING
MACHINES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.4(4) reads as rewritten:

"(4) Every person, firm or corporation engaged in the business of operating a pressing club, cleaning plant, hat-blocking establishment, dry-cleaning plant, laundry (including wet or damp wash laundries and businesses known as launderettes and launderalls), or any similar-type business, or engaged in the business of renting clean linen or towels or wearing apparel, or any similar-type business, or engaged in the business of soliciting cleaning, pressing, hat blocking, laundering or rental business for any of the aforementioned businesses, shall be considered 'retailers' for the purposes of this Article. There is hereby levied upon every such person, firm or corporation a tax of three percent (3%) of the gross receipts derived from services rendered in engaging in any of the occupations or businesses named in this subdivision, and every person, firm or corporation subject to the provisions of this subdivision shall register and secure a license in the manner hereinafter provided in this section, and, insofar as practicable, all other provisions of this Article shall be applicable with respect to the tax herein provided for. The tax imposed by this subdivision does not apply to receipts derived from coin or token-operated washing machines, extractors, and dryers. The taxes levied in this subdivision are additional privilege or license taxes for the privilege of engaging in the occupations or businesses named herein. Any person, firm or corporation engaged in cleaning, pressing, hat blocking, laundering for, or supplying clean linen or towels or wearing apparel to, another person, firm or corporation engaged in soliciting shall not be required to pay the three percent (3%) tax on its gross receipts derived through such solicitor, if the soliciting person, firm or corporation has registered with the Department, secured the license hereinafter required and has paid the tax at the rate of three percent (3%) of the total gross receipts derived from business solicited."

Sec. 2. The first sentence of G.S. 105-164.3(16) is amended by deleting the phrase "'Sales price'" and substituting the phrase "Except as provided in paragraph f., 'sales price'".

Sec. 3. G.S. 105-164.3(16) is further amended by adding a new paragraph to read:

"f. The sales price of tangible personal property sold through a coin-operated vending machine, other than closed-container soft drinks subject to excise tax under Article 2B of this Chapter or tobacco products, is considered to be fifty percent (50%) of the total amount for which the property is sold in the vending machine."

Sec. 4. Sections 2 and 3 of this act shall become effective July 1, 1989, and apply to sales made on or after that date. The remainder of this act shall become effective July 1, 1988, and applies to services rendered and sales made on or after that date.

In the General Assembly read three times and ratified this the 14th day of August, 1987.