

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 1588
Second Edition Engrossed 7/3/90

Short Title: Simplify Restaurant License Tax.

(Public)

Sponsors: Senator Daniel.

Referred to: Finance.

June 6, 1990

A BILL TO BE ENTITLED

AN ACT TO SIMPLIFY THE PRIVILEGE LICENSE TAX ON RESTAURANTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-62 reads as rewritten:

"§ 105-62. (Effective July 1, 1990) Restaurants.

(a) Every person, firm, or corporation engaged in the business of operating a restaurant, cafe, cafeteria, hotel, with dining service on the European plan, drugstore, or other place where prepared food is sold, shall apply for and procure from the Secretary of Revenue a State license for the privilege of transacting such business. The tax for such license shall be ~~based on the number of persons provided with chairs, stools, or benches, and shall be one dollar (\$1.00) per person, with a minimum tax of fifty dollars (\$50.00); eighty-five dollars (\$85.00).~~ Provided, that the The tax levied in this subsection shall not apply to industrial plants maintaining a nonprofit restaurant, cafe or cafeteria solely for the convenience of its employees. ~~Provided further,~~ In addition, a person, firm, or corporation required to be licensed under this section is not required to procure the license under G.S. 105-102.5 for the same location.

(b) Repealed by Session Laws 1979, c. 150, s. 2.

(c) Counties, cities and towns shall not levy any license tax on the business taxed or any business exempted under this section, except that cities and towns may levy a license tax not in excess of one half of the ~~base~~-tax levied by the State.

(d) No tax shall be levied under this section, for the privilege of operating vending machines or the sale of any commodity through such machines, against any

- 1 vending machine operator, licensed under G.S. 105-65.1 and required thereby to pay a
2 gross receipts tax.”
3 Sec. 2. This act shall become effective July 1, 1991.