

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 1195

Short Title: Tax Cable/Satellite TV.

(Public)

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Sponsors: Representative McGee.

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Referred to: Finance.

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May 9, 1991

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT STATE AND LOCAL SALES TAXES APPLY TO  
CABLE AND SCRAMBLED SATELLITE TELEVISION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.4(a) is amended by adding a new subdivision to  
read:

"(5) At the rate of three percent (3%) of the gross receipts derived from the sale of television or radio program service to members of the public who pay for the service. A person who sells television or radio program service is considered a retailer under this Article."

Sec. 2. G.S. 105-467 reads as rewritten:

**"§ 105-467. Scope of sales tax.**

The sales tax which may be imposed under this Article is limited to a tax at the rate of one percent (1%) of:

- (1) The sales price of those articles of tangible personal property now subject to the three percent (3%) sales tax imposed by the State under G.S. 105-164.4(a)(1) ~~and~~ or (4b);
- (2) The gross receipts derived from the lease or rental of tangible personal property when the lease or rental of the property is subject to the three percent (3%) sales tax imposed by the State under G.S. 105-164.4(a)(2);
- (3) The gross receipts derived from the rental of any room or lodging furnished by any hotel, motel, inn, tourist camp or other similar

1 accommodations now subject to the three percent (3%) sales tax  
2 imposed by the State under G.S. 105-164.4(a)(3); and

3 (4) The gross receipts derived from services rendered by ~~laundries, dry~~  
4 ~~cleaners, cleaning plants and similar type~~ businesses now subject to the  
5 three percent (3%) sales tax imposed by the State under G.S. ~~105-~~  
6 ~~164.4(a)(4).~~ 105-164.4(a)(4) or (5).

7 The sales tax authorized by this Article does not apply to sales that are taxable by the  
8 State under G.S. 105-164.4 but are not specifically included in subdivisions (1) through  
9 (4) of this section.

10 The exemptions and exclusions contained in G.S. 105-164.13 and the refund  
11 provisions contained in G.S. 105-164.14 shall apply with equal force and in like manner  
12 to the local sales and use tax authorized to be levied and imposed under this Article. A  
13 taxing county shall have no authority, with respect to the local sales and use tax  
14 imposed under this Article to change, alter, add to or delete any refund provisions  
15 contained in G.S. 105-164.14, or any exemptions or exclusions contained in G.S. 105-  
16 164.13 or which are elsewhere provided for.

17 The local sales tax authorized to be imposed and levied under the provisions of this  
18 Article shall apply to such retail sales, leases, rentals, rendering of services, furnishing  
19 of rooms, lodgings or accommodations and other taxable transactions which are made,  
20 furnished or rendered by retailers whose place of business is located within the taxing  
21 county. The tax imposed shall apply to the furnishing of rooms, lodging or other  
22 accommodations within the county which are rented to transients. For the purpose of  
23 this Article, the situs of a transaction is the location of the retailer's place of business."

24 Sec. 3. Section 4 of Chapter 1096 of the 1967 Session Laws, as amended, is  
25 amended by deleting the phrase "laundries, dry cleaners, cleaning plants and similar  
26 type businesses now subject to the three per cent (3%) sales tax imposed by the State  
27 under G.S. 105-164.4(a)(4)." and substituting the phrase "businesses now subject to the  
28 three percent (3%) sales tax imposed by the State under G.S. 105-164.4(a)(4) or (5)."

29 Sec. 4. This act becomes effective October 1, 1991, and applies to sales made  
30 on or after that date.