

GENERAL ASSEMBLY OF NORTH CAROLINA  
1995 SESSION

CHAPTER 477  
HOUSE BILL 55

AN ACT TO PROVIDE THAT SALES TAX PREFERENCES FOR AGRICULTURE  
APPLY TO AQUACULTURE.

The General Assembly of North Carolina enacts:

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

"(1d) The rate of one percent (1%) applies to the sales price of the following articles. The maximum tax is eighty dollars (\$80.00) per article.

- a. Sales to a farmer of machines and machinery, ~~whether animal or motor drawn or operated,~~ and parts and accessories for ~~such these machines and machinery to farmers machinery,~~ for use by ~~them~~ the farmer in the planting, cultivating, ~~harvesting~~ harvesting, or curing of farm crops, ~~and sales of machines and machinery and parts and accessories for such machines and machinery to dairy operators, poultry farmers, egg producers, and livestock farmers for use by them in crops or in the production of dairy products, poultry, eggs or livestock, except such machines, machinery, equipment, parts, and accessories that come within the provisions of G.S. 105-164.13(4c). eggs, or animals. A 'farmer' includes a dairy operator, a poultry farmer, an egg producer, a livestock farmer, a farmer of crops, and a farmer of an aquatic species, as defined in G.S. 106-758. Items that are exempt from tax under G.S. 105-164.13(4c) are not subject to tax under this section.~~

The term 'machines and machinery' as used in this subdivision is defined as follows:

The term shall include all vehicular implements, designed and sold for any use defined in this subdivision, which are operated, drawn or propelled by motor or animal power, but shall not include vehicular implements which are operated wholly by hand, and shall not include any motor vehicles required to be registered under Chapter 20 of the General Statutes.

The term shall include all nonvehicular implements and mechanical devices designed and sold for any use defined in this subdivision, which have moving parts, or which require the use of any motor or animal power, fuel, or electricity in their

operation but shall not include nonvehicular implements which have no moving parts and are operated wholly by hand.

The term shall also include metal flues sold for use in curing tobacco, whether such flues are attached to handfired furnaces or used in connection with mechanical burners.

- b. Sales of mill machinery or mill machinery parts and accessories to manufacturing industries and plants, and sales to contractors and subcontractors purchasing mill machinery or mill machinery parts and accessories for use by them in the performance of contracts with manufacturing industries and plants, and sales to subcontractors purchasing mill machinery or mill machinery parts and accessories for use by them in the performance of contracts with general contractors who have contracts with manufacturing industries and plants. As used in this paragraph, the term 'manufacturing industries and plants' does not include delicatessens, cafes, cafeterias, restaurants, and other similar retailers that are principally engaged in the retail sale of foods prepared by them for consumption on or off their premises.
- c. Sales of central office equipment and switchboard and private branch exchange equipment to telephone companies regularly engaged in providing telephone service to subscribers on a commercial basis, and sales to these companies of prewritten computer programs used in providing telephone service to their subscribers.
- d. Sales to commercial laundries or to pressing and dry cleaning establishments of machinery used in the direct performance of the laundering or the pressing and cleaning service and of parts and accessories thereto.
- e. Sales to freezer locker plants of machinery used in the direct operation of said freezer locker plant and of parts and accessories thereto.
- f. Sales of broadcasting equipment and parts and accessories thereto and towers to commercial radio and television companies which are under the regulation and supervision of the Federal Communications Commission.
- g. Sales to farmers of bulk tobacco barns and racks and all parts and accessories thereto and similar apparatus used for the curing and drying of any farm produce.
- h. Sales to farmers of grain, feed or soybean storage facilities and accessories thereto, whether or not dryers are attached, and all similar apparatus and accessories thereto for the storage of grain, feed or soybeans.

- i. Sales of containers to farmers or producers for use in the planting, producing, harvesting, curing, marketing, packaging, sale, or transporting or delivery of their products when such containers do not go with and become part of the sale of their products at wholesale or retail."

Sec. 2. G.S. 105-164.13(2) reads as rewritten:

"(2) ~~Seeds; remedies; Seeds.~~

(2a) Any of the following when purchased for use in the commercial production of animals or plants, as appropriate:

- a. Remedies, vaccines, medications, litter materials, and feeds for livestock and poultry; rodenticides; animals.
- b. Rodenticides, insecticides, herbicides, fungicides, and pesticides for livestock, poultry, and agriculture; defoliant pesticides.
- c. Defoliant for use on cotton or other ~~erops; plant crops.~~
- d. Plant growth inhibitors, regulators, or stimulators for agriculture stimulators, including systemic and contact or other sucker control agents for tobacco and other crops."

Sec. 3. G.S. 105-164.13(4c) reads as rewritten:

"(4c) ~~Commercially~~ Any of the following:

- a. Commercially manufactured swine, livestock, and poultry facilities to be used for commercial purposes for housing, raising, or feeding of swine, livestock, or poultry animals or for housing equipment necessary for these commercial activities; building activities.
- b. Building materials, supplies, fixtures, and equipment to be that become a part of and are used in the construction, repair, or improvement and that become a part of an enclosure or a structure specifically designed, ~~constructed~~ constructed, and used for such above commercial purposes; and commercially for housing, raising, or feeding animals or for housing equipment necessary for one of these commercial activities.
- c. Commercially manufactured swine, livestock, and poultry equipment, and parts and accessories therefor placed or installed in or affixed to such facilities, enclosures, or structures. for the equipment, used in a facility that is exempt from tax under this subdivision or in an enclosure or a structure whose building materials are exempt from tax under this subdivision."

Sec. 4. This act becomes effective August 1, 1995.  
In the General Assembly read three times and ratified this the 25th day of  
July, 1995.

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Dennis A. Wicker  
President of the Senate

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Harold J. Brubaker  
Speaker of the House of Representatives