

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 1108

Short Title: Chocolate Milk/Soft Drink Tax.

(Public)

Sponsors: Senators Perdue; and Foxx.

Referred to: Finance.

May 14, 1996

A BILL TO BE ENTITLED

AN ACT TO PROVIDE THAT CHOCOLATE MILK THAT IS EXEMPT FROM SOFT
DRINK TAX IS NOT REQUIRED TO REGISTER WITH THE DEPARTMENT OF
REVENUE FOR THE EXEMPTION.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-113.46 reads as rewritten:

"§ 105-113.46. Exemptions.

The taxes imposed by this Article do not apply to an item that is listed in this section and, if the item is a bottled soft drink or a juice concentrate included in subdivision (2), (3), or (3a), is registered with the Secretary in accordance with G.S. 105-113.47:

(1) A natural liquid milk drink produced by a farmer or a ~~dairy~~ dairy or a natural liquid milk drink that is produced by a farmer or a dairy and to which chocolate syrup has been added.

(2) A bottled soft drink that contains at least thirty-five percent (35%) natural milk measured by volume and is not exempt under subdivision (1).

(3) Natural juice.

(3a) Juice that would be natural if it did not contain sugar.

(4) Natural water.

- 1 (5) A base product used to make a bottled soft drink subject to tax under
2 this Article.
- 3 (6) Coffee or tea in any form.
- 4 (7) A bottled soft drink or base product sold outside the State.
- 5 (8) A bottled soft drink or base product sold to the federal government.
- 6 (9) A base product for domestic use that either contains milk or, according
7 to directions on the base product's container, requires milk to be added
8 to make a soft drink."
- 9 Sec. 2. This act becomes effective July 1, 1996.