

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 1374

Short Title: Clarify Sales Tax on Utilities.

(Public)

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Sponsors: Representative Miller.

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Referred to: Finance.

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April 29, 1999

A BILL TO BE ENTITLED

AN ACT TO CLARIFY THE DEFINITION OF "UTILITY" FOR SALES TAX PURPOSES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.3(25) reads as rewritten:

"(25) 'Utility' means ~~an electric power company or a telephone company that is subject to a privilege tax based on gross receipts under G.S. 105-116 or 105-120, a~~ any of the following:

a. A business entity that provides local, toll, or private telecommunications service as defined by G.S. 105-120(e), or a 105-120(e).

b. A business entity or a municipality that sells electric power, other than a municipality whose only wholesale supplier of electric power is a federal agency and who is required by a contract with that federal agency to make payments in lieu of taxes. power."

Section 2. G.S. 105-164.13 is amended by adding a new subdivision to read:

"(46) Sales of electricity by a municipality whose only wholesale supplier of electric power is a federal agency and who is required by a contract with that federal agency to make payments in lieu of taxes."

Section 3. This act becomes effective July 1, 1999.