

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

H

1

HOUSE BILL 1684

Short Title: Use Tax Credit.

(Public)

Sponsors: Representatives Cansler; Morris, Rayfield, Pope, Gardner, West, Preston, Sherrill, and Davis.

Referred to: Rules, Calendar, and Operations of the House.

May 24, 2000

A BILL TO BE ENTITLED

1
2 AN ACT TO EXEMPT THE FIRST ONE THOUSAND DOLLARS IN CONSUMER
3 PURCHASES MADE OUT-OF-STATE FROM THE USE TAX BY PROVIDING A
4 SIXTY DOLLAR TAX CREDIT AGAINST THE USE TAX IMPOSED ON OUT-
5 OF-STATE PURCHASES MADE BY AN INDIVIDUAL FOR A NONBUSINESS
6 PURPOSE AND TO RELIEVE AN INDIVIDUAL WHO IS NOT LIABLE FOR
7 USE TAX FROM THE RECORD-KEEPING REQUIREMENTS.

8 The General Assembly of North Carolina enacts:

9 Section 1. G.S. 105-164.6 is amended by adding a new subsection to read:

10 "(h) Credit for Consumer Use Tax. – An individual who purchases tangible
11 personal property outside the State for a nonbusiness purpose is allowed a credit against
12 the tax imposed by this section in an amount equal to sixty dollars (\$60.00). The amount
13 of credit allowed under this subsection may not exceed the amount of tax imposed by this
14 section for the taxable year. Pursuant to G.S. 105-164.16, use tax payable by an
15 individual who purchases tangible personal property outside the State for a nonbusiness
16 purpose is due on an annual basis. An individual who is not liable for use tax after the
17 credit allowed under this section does not need to maintain the records required by G.S.
18 105-164.31 or report any use tax on the annual return."

19 Section 2. G.S. 105-164.31 reads as rewritten:

1 "§ 105-164.31. Complete records must be kept for three years.

2 (a) General. – Every retailer, wholesale merchant or consumer as defined by this
3 Article shall secure, maintain and keep for a period of three years a complete record of
4 tangible personal property received, used, sold at retail or wholesale, distributed or
5 stored, leased or rented within this State by ~~said~~ the retailer, wholesale merchant or
6 consumer together with invoices, bills of ~~lading~~ lading, and other pertinent papers and
7 records as may be required by the Secretary for the reasonable administration of this
8 ~~Article and all such~~ Article. These records shall be open for inspection by the Secretary or
9 ~~his~~ a duly authorized agent of the Secretary at all reasonable hours during the day.

10 (b) Consumer Use Tax Record Exception. – An individual who is not liable for use
11 tax under G.S. 105-164.6 does not need to maintain a record of the tangible personal
12 property purchased outside the State for use, storage, or consumption in this State."

13 Section 3. This act is effective for taxable years beginning on or after January
14 1, 2000.