

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005

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HOUSE DRH50546-LYz-330 (5/8)

Short Title: Manufacturers Energy Tax Exemptions. (Public)

Sponsors: Representatives Parmon; Daughtridge, England, Gibson, Goforth, Harrell,  
Jones, Owens, and Ray.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO EXEMPT FUEL SOLD TO MANUFACTURERS FROM THE SALES  
AND USE TAX, THE EXCISE TAX ON PIPED NATURAL GAS, AND THE  
EXCISE TAX ON MANUFACTURING FUEL AND CERTAIN MACHINERY  
AND EQUIPMENT.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-164.4(1f)b. is repealed.

**SECTION 2.** G.S. 105-164.4(1h) is repealed.

**SECTION 3.** G.S. 105-164.13 is amended by adding a new subdivision to

read:

"§ 105-164.13. **Retail sales and use tax.**

The sale at retail and the use, storage, or consumption in this State of the following  
tangible personal property and services are specifically exempted from the tax imposed  
by this Article:

...

(54) Fuel, including electricity, sold to a manufacturer for use in connection  
with the operation of the manufacturing facility."

**SECTION 4.** G.S. 105-187.41(c) reads as rewritten:

"(c) ~~Gas City Exemption Exemptions.~~ – The tax imposed by this section does not  
apply to piped the following:

(1) Piped natural gas received by a gas city for consumption by that ~~city or  
to piped city.~~

(2) Piped natural gas delivered by a gas city to a sales or transportation  
customer of the gas city.

(3) Piped natural gas received by a manufacturer for use in connection  
with the operation of the manufacturing facility."

1           **SECTION 5.** G.S. 105-187.51A is repealed.

2           **SECTION 6.** This act becomes effective July 1, 2006. Sections 1 through 3  
3 of this act apply to sales made on or after that date, Section 4 of this act applies to  
4 deliveries made on or after that date, and Section 5 applies to purchases made on or  
5 after that date.