

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 2864

Short Title: Community College Sales Tax Refund. (Public)

Sponsors: Representatives Yongue, Howard (Primary Sponsors); Blackwood, Faison, Glazier, Lucas, and Pate.

Referred to: Finance.

May 30, 2006

A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE A SALES AND USE TAX REFUND FOR COMMUNITY
2 COLLEGES.
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4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-164.14(c) is amended by adding a new subdivision to
6 read:

7 "(c) Certain Governmental Entities. – A governmental entity listed in this
8 subsection is allowed an annual refund of sales and use taxes paid by it under this
9 Article on direct purchases of tangible personal property and services, other than
10 electricity and telecommunications service. Sales and use tax liability indirectly
11 incurred by a governmental entity on building materials, supplies, fixtures, and
12 equipment that become a part of or annexed to any building or structure that is owned or
13 leased by the governmental entity and is being erected, altered, or repaired for use by
14 the governmental entity is considered a sales or use tax liability incurred on direct
15 purchases by the governmental entity for the purpose of this subsection. A request for a
16 refund must be in writing and must include any information and documentation required
17 by the Secretary. A request for a refund is due within six months after the end of the
18 governmental entity's fiscal year. The Secretary shall make an annual report to the
19 Department of Public Instruction and the Fiscal Research Division of the General
20 Assembly by March 1 of the amount of refunds, identified by taxpayer, claimed under
21 subdivisions (2b) and (2c) of this subsection over the preceding year.

22 This subsection applies only to the following governmental entities:

23 ...

24 (23) A community college as defined in G.S. 115D-2."

25 **SECTION 2.** This act becomes effective July 1, 2006, and applies to
26 purchases made on or after that date.