

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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SENATE DRS85441-LY-358 (5/12)

Short Title: Manufacturers Energy Tax Exemptions. (Public)

Sponsors: Senator Garrou.

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A BILL TO BE ENTITLED
AN ACT TO EXEMPT ELECTRICITY AND PIPED NATURAL GAS SOLD TO
MANUFACTURERS FROM THE SALES AND USE TAX AND THE EXCISE
TAX ON PIPED NATURAL GAS.

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 G.S. 105-164.4(1f)b. is repealed.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 G.S. 105-164.4(1h) is repealed.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) 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 ~~pip~~ed 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.** This act becomes effective July 1, 2006. Sections 1 through 3
2 of this act apply to sales made on or after that date, and Section 4 of this act applies to
3 deliveries made on or after that date.