

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

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**SENATE BILL 245**

Short Title: Sales Tax Refund for TDAs.

(Public)

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Sponsors: Senators Hoyle; and Snow.

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Referred to: Finance.

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February 21, 2007

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE A SALES AND USE TAX REFUND FOR TOURISM  
DEVELOPMENT AUTHORITIES.

The General Assembly of North Carolina enacts:

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

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

This subsection applies only to the following governmental entities:

...

(23) A tourism development authority created by a city or county pursuant  
to an act of the General Assembly."

**SECTION 2.** This act becomes effective July 1, 2007, and applies to  
purchases made on or after that date.