

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 1126
Committee Substitute Favorable 7/9/97
Senate Finance Committee Substitute Adopted 9/24/98

Short Title: No Sales Tax on Pay Phones.

(Public)

Sponsors:

Referred to:

April 21, 1997

1 A BILL TO BE ENTITLED
2 AN ACT TO EXEMPT LOCAL PAY PHONE SERVICES FROM SALES TAX.
3 The General Assembly of North Carolina enacts:

4 Section 1. G. S. 105-164.4(a)(4a), as amended by S.L. 1998-22, reads as
5 rewritten:

6 "(4a) The rate of three percent (3%) applies to the gross receipts
7 derived by a utility from sales of electricity or local
8 telecommunications service as defined by G.S. 105-120(e), other
9 than sales of electricity subject to tax under another subdivision in
10 this section. Gross receipts from sales of local telecommunications
11 service do not include receipts from service provided by means of
12 public coin-operated pay telephone instruments and paid for by coin.
13 A person who operates a utility is considered a retailer under this
14 Article."

15 Section 2. This act becomes effective January 1, 2000, and applies to sales
16 made on or after that date.