

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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SENATE BILL 572

Short Title: Incentivize Space Spirits. (Public)

Sponsors: Senators Moffitt and Johnson (Primary Sponsors).

Referred to: Rules and Operations of the Senate

April 5, 2023

1 A BILL TO BE ENTITLED
2 AN ACT TO INCENTIVIZE NEW TECHNOLOGIES IN THE MANUFACTURING OF
3 SPIRITOUS LIQUOR BY CAPPING THE TAX ON CERTAIN PURCHASES,
4 INCLUDING SPIRITOUS LIQUOR THAT HAS BEEN AGED FOR AT LEAST TWELVE
5 MONTHS IN ORBIT.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 105-164.27A is amended by adding a new subsection to read:

8 "(a4) Qualifying Spiritous Liquor. – A person who purchases qualifying spiritous liquor
9 may apply to the Secretary for a direct pay permit for the purchase of qualifying spiritous liquor.
10 A direct pay permit issued under this subsection authorizes its holder to purchase qualifying
11 spiritous liquor without paying tax to the seller and authorizes the seller to not collect any tax on
12 the qualifying spiritous liquor from the permit holder. A person who purchases qualifying
13 spiritous liquor under a direct pay permit must file a return and pay the tax due to the Secretary
14 in accordance with G.S. 105-164.16. A direct pay permit issued for qualifying spiritous liquor
15 does not apply to any purchase other than the purchase of qualifying spiritous liquor. The
16 maximum use tax on qualifying spiritous liquor is one thousand dollars (\$1,000). For purposes
17 of this subsection, "qualifying spiritous liquor" is a single container of spiritous liquor, as defined
18 in G.S. 18B-101, the purchase price of which is equal to or greater than fifty thousand dollars
19 (\$50,000)."

20 **SECTION 2.** G.S. 105-113.81 reads as rewritten:

21 **"§ 105-113.81. Exemptions.**

22 ...

23 (f) Luxury Liquor. – A distillery is not required to remit excise taxes on spiritous liquor
24 for which the purchase price for a single container is equal to or greater than fifty thousand dollars
25 (\$50,000). However, the purchaser must remit use tax in accordance with
26 G.S. 105-164.27A(a4)."

27 **SECTION 3.** This act is effective January 1, 2024, and applies to purchases
28 occurring on or after that date.

