

February 14, 2001

H 111. GOVERNMENT SALES TAX EXEMPTION. TO EXEMPT CERTAIN GOVERNMENT PURCHASES FROM STATE AND LOCAL SALES TAX AND TO ALLOW A SALES TAX REFUND TO COMMUNITY COLLEGES. Amends GS 104-164.14(c) to permit sales tax refund to the community colleges, effective July 1, 2002. Amends GS 105-164.13 (exemptions from sales tax) to permit local gov't's, as defined under new GS 105-164.29A to be exempt from sales tax. Exemption does not apply to receipts from sale of electricity, local telecommunications services, toll telecommunications services, or private telecommunications services. Exemption applies only if (1) items are purchased by check, credit card, procurement card, or credit account of the local gov't; and (2) purchase is pursuant to a signed purchase order containing the local gov't exemption number and a description of the property purchased. New GS 105-164.29A describes exemption process, which requires a Dep't of Revenue sales tax exemption number. Exemption is effective July 1, 2002 for local school administrative units and community colleges. Effective July 1, 2003, for counties and July 1, 2004, for cities.

Intro. by Allen.

Ref. to Finance	GS 105
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