

May 25, 2006

S 2011. RAILROAD CARS SALES TAX CHANGES. Filed 5/25/06. *TO ALLOW UTILITIES THE SAME TREATMENT AS INTERSTATE CARRIERS WITH RESPECT TO THE SALES AND USE TAXES IMPOSED ON RAILWAY CARS.* Amends GS 105-164.4B(b) to provide that recurring periodic payments for lease or rental agreements for a railway car that is leased by a utility company and would be transportation equipment if it were used in interstate commerce are "sourced" according to general principles set forth in GS 105-164.4B(a). Enacts new GS 105-164.14(a2) allowing a utility company a refund of sales and use taxes paid on the purchase in NC of railway cars and locomotives operated by the company. Specifies formula for calculating refund and procedures for claiming refund. Effective July 1, 2006.

Intro. by Hoyle.

GS 105