

May 17, 2010

S 1186. MODERNIZE ADM. TAX/RESTORE AMEN. EXCLUSION. Filed 5/17/10. *TO MODERNIZE AND EQUALIZE THE ADMISSIONS TAX BY EXTENDING IT TO INTERNET TICKET RESELLERS, TO APPLY THE TAX ONLY TO THE CHARGE FOR ADMISSION TO AN EVENT AND NOT TO EXTRA AMENITIES, AND TO REQUIRE THE SECRETARY OF REVENUE TO PROVIDE ADVANCE NOTICE OF CERTAIN REVISED INTERPRETATIONS OF THE DEPARTMENT.*

Amends GS 105-37.1(a) (1) to provide that (1) a 3% privilege tax is applied to the gross admissions receipts for live entertainment of any kind (current law imposes the tax only on dance or athletic contests charging an admission fee of more than 50 cents, a museum or entertainment charging admission, and a performance, show or exhibition), and (2) charges for amenities are not included in gross admissions receipts and are excluded in calculating the privilege tax. Effective for admission charges received on or after August 1, 2010.

Amends GS 105-37.1(a)(2) to impose a 3% privilege tax on the gross admissions receipts for the resell Internet of an admission ticket that is taxable under GS 105-37.1(a)(1). Provides that the tax would apply to the difference between the face value of the ticket and the price for which the reseller sells the ticket. Effective January 1, 2011.

Permits cities to levy a tax on a person taxed under subdivision (a)(1) of GS 105-37.1, but prohibits cities from levying a license tax on a person who is taxed under subdivision (a)(2). Prohibits counties from levying a license tax on a person taxed under GS 105-37.1 makes clarifying and technical changes. Effective August 1, 2010.

Amends GS 14-344.1 (Internet sale of admission tickets in excess of printed price), by repealing subsection (e) regarding receipt reporting requirements for a person who engages in the reselling of admission tickets. Effective August 1, 2010.

Directs that GS 14-344.1 be repealed if (1) any provision of this act is found by a court to violate the Internet Tax Freedom Act or (2) is otherwise deemed invalid.

Amends GS 105-264(c) to require the Department of Revenue to adhere to specified timelines in setting the effective date for changes that revise a prior interpretation of admissions tax provisions by expanding the scope of a tax or otherwise increasing the amount of tax that is due.

Intro. by Hartsell.

GS 14, 105