

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

H.B. 400
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH10135-MC-126 (03/14)

Short Title: Exempt Vacation Linen Rentals From Sales Tax. (Public)

Sponsors: Representatives Boswell, Iler, and Shepard (Primary Sponsors).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO EXEMPT FROM SALES AND USE TAX THE RENTAL OF LINENS TO THE
3 PROVIDER OF A RESIDENTIAL ACCOMMODATION.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 105-164.4F reads as rewritten:
6 "§ 105-164.4F. Accommodation rentals.

7 ...
8 (b) Tax. – The gross receipts derived from the rental of an accommodation are taxed at
9 the general rate set in G.S. 105-164.4. Gross receipts derived from the rental of an
10 accommodation include the sales ~~price~~ price, except as otherwise provided in this section, of
11 the rental of the accommodation. The sales price of the rental of an accommodation is
12 determined as if the rental were a rental of tangible personal property. The sales price of the
13 rental of an accommodation marketed by a facilitator includes charges designated as facilitation
14 fees and any other charges necessary to complete the rental.

15 ...
16 (e) Exemptions. – The tax imposed by this section does not apply to the following:
17 (1) A private residence, cottage, or similar accommodation that is rented for
18 fewer than 15 days in a calendar year other than a private residence, cottage,
19 or similar accommodation listed with a real estate broker or agent.
20 (2) An accommodation supplied to the same person for a period of 90 or more
21 continuous days.
22 (3) An accommodation arranged or provided to a person by a school, camp, or
23 similar entity where a tuition or fee is charged to the person for enrollment in
24 the school, camp, or similar entity.
25 (4) The rental of linens by the provider of an accommodation, or the provider's
26 agent, if all of the following conditions are met:
27 a. The accommodation is a residence, cottage, or a similar lodging
28 facility and is not a hotel or a motel.
29 b. The purchaser of the accommodation has the option, for an additional
30 charge, to obtain linens and the election is not mandatory by the
31 provider of the accommodation.
32 c. The charges for the linen rental are separately stated and identified as
33 such on an invoice or similar billing document provided to the
34 purchaser of the accommodation."



1 **SECTION 2.** This act becomes effective July 1, 2017, and applies to gross receipts
2 derived from the rental of an accommodation that a consumer occupies or has the right to
3 occupy on or after that date.