

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

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HOUSE BILL 1525

Short Title: Remove Sales Tax on College Textbooks. (Public)

Sponsors: Representative Allred.

Referred to: Education, if favorable, Finance.

April 21, 2009

1 A BILL TO BE ENTITLED  
2 AN ACT TO REMOVE THE SALES AND USE TAX ON COLLEGE TEXTBOOKS AND  
3 ART SUPPLIES FOR ENROLLED STUDENTS.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-164.3 reads as rewritten:

6 "**§ 105-164.3. Definitions.**

7 The following definitions apply in this Article:

8 ...

9 (37a) Satellite digital audio radio service. – A radio communication service in  
10 which audio programming is digitally transmitted by satellite to an  
11 earth-based receiver, whether directly or via a repeater station.

12 (37b) School art supply. – Defined in the Streamlined Agreement.

13 (37c) School instructional material. – Defined in the Streamlined Agreement.

14 (37d) School supply. – An item that is commonly used by a student in the course  
15 of study and is considered a "school supply" or "school art supply" under the  
16 Streamlined Agreement.

17 ...."

18 **SECTION 2.** G.S. 105-164.13 is amended by adding a new subdivision to read:

19 "**§ 105-164.13. Retail sales and use tax.**

20 The sale at retail and the use, storage, or consumption in this State of the following tangible  
21 personal property and services are specifically exempted from the tax imposed by this Article:

22 ...

23 Printed Materials Group.

24 (14) Public school books on the adopted list, the selling price of which is fixed by  
25 State contract.

26 (14a) Recodified as subdivision (33a) by Session Laws 2000-120, s. 5, effective  
27 July 14, 2000.

28 (14b) School instructional materials or school art supplies purchased by an  
29 enrolled student presenting at the time of purchase (i) a valid identification  
30 card from an institution of higher education as defined in G.S. 90-270.2 and  
31 (ii) evidence that the materials or supplies are required for a course in which  
32 the student is enrolled."

33 **SECTION 3.** This act becomes effective July 1, 2009, and applies to purchases  
34 made on or after that date.

