GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009

S **D**

SENATE DRS35061-TCz-4* (12/19)

Short Title:	LEA Sales Tax Refund.	(Public)
Sponsors:	Senator Swindell.	
Referred to:		

A BILL TO BE ENTITLED

AN ACT TO REENACT THE SALES AND USE TAX REFUND FOR LOCAL SCHOOL ADMINISTRATIVE UNITS SO AS TO OPTIMIZE SCHOOL CONSTRUCTION FUNDING, AS RECOMMENDED BY THE JOINT LEGISLATIVE EDUCATION OVERSIGHT COMMITTEE.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-164.14(c)(2b) and (2c) are reenacted.

SECTION 2. G.S. 105-467(b) reads as rewritten:

"(b) Exemptions and Refunds. – The State exemptions and exclusions contained in G.S. 105-164.13, the State sales and use tax holiday contained in G.S. 105-164.13C, and the State refund provisions contained in G.S. 105-164.14 apply to the local sales and use tax authorized to be levied and imposed under this Article. ~~Except as provided in this subsection, a~~ A taxing county may not allow an exemption, exclusion, or refund that is not allowed under the State sales and use tax. ~~A local school administrative unit and a joint agency created by interlocal agreement among local school administrative units pursuant to G.S. 160A-462 to jointly purchase food service-related materials, supplies, and equipment on their behalf is allowed an annual refund of sales and use taxes paid by it under this Article on direct purchases of tangible personal property and services, other than electricity, telecommunications service, and ancillary service. Sales and use tax liability indirectly incurred by the entity on building materials, supplies, fixtures, and equipment that become a part of or annexed to any building or structure that is owned or leased by the entity and is being erected, altered, or repaired for use by the entity is considered a sales or use tax liability incurred on direct purchases by the entity for the purpose of this subsection. A request for a refund shall be in writing and shall include any information and documentation required by the Secretary. A request for a refund is due within six months after the end of the entity's fiscal year. Refunds applied for more than three years after the due date are barred.~~"

SECTION 3. G.S. 105-164.44H is repealed.

SECTION 4. Sections 1 and 2 of this act become effective July 1, 2009, and apply to purchases made on or after that date. Section 3 of this act becomes effective July 1, 2010.