

**SECTION .0900 - SERVICES DELIVERED TO A CUSTOMER OR ON BEHALF OF THE CUSTOMER,
OR DELIVERED ELECTRONICALLY THROUGH THE CUSTOMER**

17 NCAC 05G .0901 IN GENERAL

(a) If the service provided by the taxpayer is not an in-person service as defined in Rule .0801 of this Subchapter or a professional service as defined in Rule .1001 of this Subchapter, and the service is delivered to or on behalf of the customer, or delivered electronically through the customer, the receipts from a sale are in North Carolina to the extent that the service is delivered in North Carolina.

(b) For purposes of this Section, a service:

- (1) "delivered to a customer" is a service where the customer and not a third party is the recipient of the service;
- (2) "delivered on behalf of a customer" is one where a customer contracts for a service but one or more third parties, rather than the customer, is the recipient of the service. This includes fulfillment services, or the direct or indirect delivery of advertising to the customer's intended audience; and
- (3) "delivered electronically through a customer" is a service that is delivered electronically to a customer for purposes of resale and subsequent electronic delivery in substantially identical form to an end user or other third-party recipient.

(c) A service may be delivered to or on behalf of a customer by physical means or through electronic transmission.

*History Note: Authority G.S. 105-130.4; S.L. 2016-94;
Eff. January 1, 2020 (See S.L. 2019-246, s. 3).*