

**SECTION .1000 - BARBERS: BEAUTY SHOP OPERATORS: SHOE REPAIRMEN: WATCH
REPAIRMEN**

17 NCAC 07B .1001 BARBER AND BEAUTICIAN SUPPLIES

(a) Sales to barber and beauty shop operators of tools, furniture, fixtures, equipment, materials, health and beauty aids and any and all other supplies purchased for use in connection with the operation of their business are subject to the applicable statutory state and local sales or use tax. Barber and beauty shop supply houses and other businesses making sales of the above items to barber and beauty shop operators to be used or consumed in rendering personal services to their customers are liable for collecting and remitting the applicable statutory state and local sales or use tax to this Department on such sales.

(b) Barber and beauty shop operators who purchase hair tonics, cosmetics and other health and beauty aids for resale and who maintain an inventory and facilities for regularly and continuously making retail sales of such items to their customers shall register with this Department as retail merchants and are liable for collecting and remitting the applicable statutory state and local sales or use tax on such sales. Barber and beauty shop operators purchasing hair tonics, cosmetics and other health and beauty aids, some of which are regularly and continuously sold to their customers and some of which are used or consumed in rendering personal services to their customers, may purchase such items without payment of tax to barber and beauty shop supply houses and other suppliers by furnishing the suppliers with properly executed Streamlined Sales Tax Agreement Certificates of Exemption, Form E-595E. By executing the certificates, the barber and beauty shop operators assume responsibility for payment of tax directly to this department on the sales price of items sold to their customers and on the cost price of items used or consumed in rendering personal services to their customers. The above provisions do not apply to barber and beauty shop operators who make occasional or infrequent sales of hair tonics and other health and beauty aids from their stock of merchandise which was purchased to be used in rendering services to their customers. Receipts of barber and beauty shop operators derived from rendering personal services are not taxable.

*History Note: Authority G.S. 105-164.4; 105-164.6; 105-262; Article 39; Article 40; Article 42; Article 43; Article 44;
Eff. February 1, 1976;
Amended Eff. April 1, 2006; October 1, 1993; October 1, 1991;
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. May 25, 2019.*