

**17 NCAC 07B .2002      GIFTS AND WAGES TO AN EMPLOYEE OR OTHER PERSON**

Pursuant to G.S. 105-164.4, an employer shall pay the sales or use tax due on the purchase of an item, as the term item is defined in G.S. 105-164.3, that is provided to an employee or other person as a gift or as compensation. The tax due shall be computed on the sales price or purchase price of the item given away, irrespective of whether the item is fabricated, produced, manufactured, or processed by the employer, or acquired elsewhere.

*History Note:*      *Authority G.S. 105-164.3; 105-164.4; 105-164.4B; 105-164.6; 105-262; 105-264; 105-467; 105-468; 105-469; 105-483; 105-498; 105-507.2; 105-509.1; 105-510.1; 105-511.3; 105-537; 105-538;*  
*Eff. February 1, 1976;*  
*Amended Eff. April 1, 2006; October 1, 1993; October 1, 1991;*  
*Readopted Eff. January 1, 2024.*