

17 NCAC 07B .3106 CABLE SERVICE PROVIDERS

- (a) For purposes of this Rule, cable service provider means a cable television company that:
- (1) receives payment or other consideration from its subscribers for cable service;
 - (2) uses broadcasting equipment, parts and accessories attached to the equipment, and a tower to receive and prepare signals for transmission over its cable systems; and
 - (3) is regulated and supervised by the Federal Communications Commission.
- (b) Pursuant to G.S. 105-164.13(5d), purchases of broadcasting equipment and parts and accessories attached to the equipment by a cable service provider are exempt from sales and use tax. Examples of exempt broadcasting equipment include towers and antenna. Broadcasting equipment does not include cable for purposes of the exemption.
- (c) Pursuant to G.S. 105-164.13(22), the lease or rental of motion picture films, transcriptions, and recordings by cable service providers that operate under the regulation and supervision of the Federal Communications Commission are exempt from sales and use tax.
- (d) Pursuant to G.S. 105-164.13(43a), purchases of computer software by cable service providers, that is used to provide ancillary service, cable service, Internet access service, telecommunications service, or video programming, is exempt from sales and use tax.
- (e) Purchases of other tangible personal property by cable services providers, including antenna cable, transmission cable, trunk, feeder and drop cable, are subject to sales and use tax, pursuant to G.S. 105-164.4.

History Note: Authority G.S. 105-164.4; 105-164.6; 105-164.13;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. March 1, 1984; Amended Eff. August 1, 2009; April 1, 1997; October 1, 1993; October 1, 1991; August 1, 1986; December 1, 1984; Readopted Eff. January 1, 2024.