

**17 NCAC 07B .4503      EQUIPMENT AND SUPPLIES FOR LAUNDRIES: ETC.**

(a) Pursuant to G.S. 105-164.13(10), sales to commercial laundries, and pressing and dry cleaning establishments of laundry and dry cleaning machinery used in the direct performance of the laundering or the pressing and cleaning service, as well as parts and accessories attached to such equipment and lubricants applied to such equipment, and tangible personal property listed in G.S. 105-164.13(10)a are exempt from sales and use tax. Examples of items exempt from sales and use tax when purchased by commercial laundries and pressing and dry cleaning establishments include the following:

- (1) water heaters, water softener tanks, central control collection systems, marking machines, packaging machines, and folding machines;
- (2) hydraulic fluids used in laundry and dry cleaning machinery;
- (3) boiler compounds used in boilers furnishing water or steam to the laundering, pressing or cleaning machinery;
- (4) steam hose leading directly from the boiler to the laundering and dry cleaning machinery;
- (5) press pads and covers for laundering and dry cleaning machinery;
- (6) baskets, hampers, casters, or other containers used between the laundering and cleaning processes to transport or contain garments being laundered or cleaned;
- (7) carbon and carbon filters used for reprocessing cleaning compounds;
- (8) lint rolls and refills;
- (9) conveyors used to transport garments along the laundering, cleaning, and pressing line during the process but not conveyors used before the laundering, cleaning, and pressing process begins or after it has been completed;
- (10) boiler room machinery, including valves, fittings and water pumps; and
- (11) transformers located on or adjacent to motors that power machinery used in the direct performance of laundering and cleaning services.

(b) Items not classified as laundering and dry cleaning machinery or parts or accessories are subject to sales and use tax, pursuant to G.S. 105-164.4. Examples of items not classified as laundering and dry cleaning machinery or parts or accessories include the following:

- (1) coin operated musical devices, amusement devices, coin changers, vending machines, and repair or replacement parts for such machines;
- (2) baskets, hampers, casters, or containers used for general purposes such as to pick up soiled garments or deliver clean garments;
- (3) smoke stacks, including any attached steel ladders;
- (4) wiring used in the general wiring system;
- (5) sewing machines used in repairing or altering the customers' property and the replacement or repair parts to the machines;
- (6) tailoring supplies such as buttons, threads, and zippers for use in repairing or altering garments for which no charge is made to the customer;
- (7) letterheads, monthly reports, envelopes and other office supplies;
- (8) protective clothing for employees such as rubber gloves, aprons, protective shoes, etc. whether paid for by the employer or the employee;
- (9) steam hose or pipe used in the general heating system;
- (10) janitorial supplies;
- (11) office furniture, fixtures and equipment, including cash registers;
- (12) uniforms for employees;
- (13) advertising materials;
- (14) structural or building materials, supplies, fixtures and equipment that shall become a part of or be annexed to any building or structure being erected, altered or repaired;
- (15) equipment used in the storage process to revitalize furs;
- (16) conveyors used before or after the laundering, pressing, and cleaning process to transport garments, but not those conveyors used to move the garments along the laundering, pressing, and cleaning line;
- (17) transformers used in connection with general wiring and power supply; and
- (18) water softener chemicals.

*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;*

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