

**CHAPTER 4 - GROSS RECEIPTS AND PRIVILEGE LICENSE TAXES**

**SUBCHAPTER 4A - DIVISIONAL RULES**

<b>17 NCAC 04A .0101</b>	<b>LOCATION</b>
<b>17 NCAC 04A .0102</b>	<b>GENERAL PURPOSE</b>
<b>17 NCAC 04A .0103</b>	<b>ADMINISTRATIVE UNIT FUNCTION</b>
<b>17 NCAC 04A .0104</b>	<b>ASSESSMENT UNIT FUNCTION</b>
<b>17 NCAC 04A .0105</b>	<b>PRIVILEGE LICENSE UNITS FUNCTION</b>
<b>17 NCAC 04A .0106</b>	<b>CIGARETTE TAX UNIT FUNCTION</b>
<b>17 NCAC 04A .0107</b>	<b>SOFT DRINK TAX UNIT FUNCTION</b>
<b>17 NCAC 04A .0108</b>	<b>ALCOHOLIC BEVERAGES TAX UNIT FUNCTION</b>

*History Note:* Authority G.S. 105-33 through 105-113.112; 105-228.28 through 105-228.36;  
Eff. February 1, 1976;  
Amended Eff. April 1, 1986; July 1, 1984; March 14, 1980; June 1, 1979;  
Repealed Eff. January 1, 1994.

**SUBCHAPTER 4B - LICENSE TAXES**

**SECTION .0100 - GENERAL ADMINISTRATION**

**17 NCAC 04B .0101 SEPARATE LICENSE**

*History Note:* Authority G.S. 105-33; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**17 NCAC 04B .0102 TRANSFER FEE**

*History Note:* Authority G.S. 105-33; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. July 1, 2000.

**17 NCAC 04B .0103 SEASONAL BUSINESS**

*History Note:* Authority G.S. 105-33; 105-262;  
Eff. February 1, 1976;  
Amended Eff. April 1, 1986; October 30, 1981;  
Repealed Eff. July 1, 1990.

<b>17 NCAC 04B .0104</b>	<b>REFUNDS</b>
<b>17 NCAC 04B .0105</b>	<b>CHURCHES OR CHARITABLE ORGANIZATIONS</b>
<b>17 NCAC 04B .0106</b>	<b>CEDED AREAS</b>
<b>17 NCAC 04B .0107</b>	<b>BLIND PERSONS</b>

*History Note:* Authority G.S. 105-33; 105-249; 105-262; 105-266; 105-266.1;  
Eff. February 1, 1976;  
Amended Eff. January 1, 1994; October 30, 1981;  
Repealed Eff. July 1, 2000.

**17 NCAC 04B .0108 INDIAN RESERVATIONS**

*History Note:* Authority G.S. 105-33; 105-262;

*Eff. February 1, 1976;*  
*Repealed Eff. October 30, 1981.*

**17 NCAC 04B .0109 MAIL-ORDER BUSINESS**

*History Note: Authority G.S. 105-33; 105-262;*  
*Eff. June 11, 1977;*  
*Amended Eff. January 1, 1994;*  
*Repealed Eff. December 1, 1997.*

**17 NCAC 04B .0110 LOCATION WITHIN MILE OF TWO CITIES**

*History Note: Authority G.S. 105-33; 105-262;*  
*Eff. June 11, 1977;*  
*Repealed Eff. July 1, 1990.*

**SECTION .0200 - AMUSEMENTS: TRAVELING THEATRICAL COMPANIES: OUTDOOR THEATRES**

**17 NCAC 04B .0201 NOT PRORATED**  
**17 NCAC 04B .0202 REPORT OF GROSS RECEIPTS TAX**

*History Note: Authority G.S. 105-35; 105-104; 105-262;*  
*Eff. February 1, 1976;*  
*Repealed Eff. July 1, 1979.*

**17 NCAC 04B .0203 PART TIME**

*History Note: Authority G.S. 105-36.1; 105-262;*  
*Eff. February 1, 1976;*  
*Amended Eff. October 30, 1981;*  
*Repealed Eff. December 1, 1997.*

**17 NCAC 04B .0301 NOT PRORATED**

*History Note: Authority G.S. 105-37.1; 105-262;*  
*Eff. February 1, 1976;*  
*Repealed Eff. July 1, 2000.*

**17 NCAC 04B .0302 COMPUTATION AND PAYMENT OF AMUSEMENT GROSS RECEIPTS TAXES**  
**17 NCAC 04B .0303 MEMBERSHIP ADMITTANCE FEE**  
**17 NCAC 04B .0304 FOOD AND ENTERTAINMENT**

*History Note: Authority G.S. 105-37.1; 105-38.1; 105-262;*  
*Eff. February 1, 1976;*  
*Amended Eff. July 1, 2000; January 1, 1994; June 11, 1977;*  
*Expired Eff. January 1, 2019 pursuant to G.S. 150B-21.3A.*

**17 NCAC 04B .0305 DANCES AND ATHLETIC CONTESTS**

*History Note: Authority G.S. 105-37.1; 105-262;*  
*Eff. February 1, 1976;*  
*Repealed Eff. October 30, 1981.*

**17 NCAC 04B .0306 CIVIC ORGANIZATION AMUSEMENTS**

*History Note:* Authority G.S. 105-37.1; 105-40; 105-262;  
Eff. February 1, 1976;  
Amended Eff. July 1, 2000; October 30, 1981; June 1, 1979;  
Expired Eff. January 1, 2019 pursuant to G.S. 150B-21.3A.

**17 NCAC 04B .0307 INDIAN RESERVATION**

*History Note:* Authority G.S. 105-37.1; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**17 NCAC 04B .0308 DRAG STRIPS AND GO-CART RACES**

*History Note:* Authority G.S. 105-37.1; 105-262;  
Eff. February 1, 1976;  
Amended Eff. July 1, 2000; December 1, 1997; January 1, 1994; July 1, 1990;  
Expired Eff. January 1, 2019 pursuant to G.S. 150B-21.3A.

**17 NCAC 04B .0309 GO-CART RACES**

*History Note:* Authority G.S. 105-37.1; 105-262;  
Eff. February 1, 1976;  
Amended Eff. December 1, 1997; January 1, 1994; July 1, 1990;  
Repealed Eff. July 1, 2000.

**17 NCAC 04B .0310 FISHING PIERS**

**17 NCAC 04B .0311 HORSE AND DOG SHOWS**

**17 NCAC 04B .0312 RATTLESNAKE MILKINGS**

*History Note:* Authority G.S. 105-37.1; 105-40; 105-262;  
Eff. February 1, 1976;  
Amended Eff. July 1, 2000; January 1, 1994;  
Expired Eff. January 1, 2019 pursuant to G.S. 150B-21.3A.

**17 NCAC 04B .0313 AGRICULTURAL FAIRS**

*History Note:* Authority G.S. 105-37.1; 105-262;  
Eff. February 1, 1976;  
Transferred and Recodified from 17 NCAC 4B .0504 Eff. July 1, 1990;  
Repealed Eff. January 1, 1994.

**SECTION .0400 - AMUSEMENTS: CIRCUSES: MENAGERIES: WILD WEST: DOG AND PONY SHOWS: ETC.**

**17 NCAC 04B .0401 LOCATION AND DATE INFORMATION**

**17 NCAC 04B .0402 NOT PRORATED**

*History Note:* Authority G.S. 105-38; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**17 NCAC 04B .0403 REPORT OF GROSS RECEIPTS TAX**

*History Note:* Authority G.S. 105-38; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. July 1, 2000.

**17 NCAC 04B .0404 DETERMINING NUMBER OF VEHICLES**

*History Note:* Authority G.S. 105-38; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**17 NCAC 04B .0405 EXPECTED CONTRIBUTION**

*History Note:* Authority G.S. 105-38; 105-104; 105-262;  
Eff. February 1, 1976;  
Amended Eff. October 30, 1981;  
Repealed Eff. July 1, 2000.

**SECTION .0500 - AMUSEMENTS: CARNIVAL COMPANIES: ETC.**

**17 NCAC 04B .0501 LOCATION AND DATE**

*History Note:* Authority G.S. 105-39; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. July 1, 1990.

**17 NCAC 04B .0502 NOT PRORATED**

*History Note:* Authority G.S. 105-39; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**17 NCAC 04B .0503 REPORT OF GROSS RECEIPTS TAX**

*History Note:* Authority G.S. 105-39; 105-104; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. July 1, 1990.

**17 NCAC 04B .0504 AGRICULTURAL FAIRS**

*History Note:* Authority G.S. 105-39; 105-262;  
Eff. February 1, 1976;  
Transferred and Recodified to 17 NCAC 4B .0313 Eff. July 1, 1990.

**17 NCAC 04B .0505 NO ADDITIONAL PRIVILEGE LICENSES**

*History Note:* Authority G.S. 105-39; 105-262;  
Eff. June 11, 1977;  
Amended Eff. July 1, 1979;  
Repealed Eff. July 1, 1990.

**SECTION .0600 - ATTORNEYS AT LAW AND OTHER PROFESSIONALS**

**17 NCAC 04B .0601 GROSS RECEIPTS OF \$1,000 OR LESS**

*History Note:* Authority G.S. 105-41; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**17 NCAC 04B .0602 APPRAISALS ONLY**

*History Note:* Authority G.S. 105-41; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. January 1, 1994.

**17 NCAC 04B .0603 INDEPENDENT BOOKKEEPING**

A bookkeeper who acts as an independent contractor preparing tax returns for small business firms, as well as individuals, and charges for his services, is subject to accountant's privilege license, as such work requires training and skill in accounting. Also, an independent contractor who prepares income tax returns, other than the simplified individual returns, and charges for such work, is subject to accountant's privilege license.

*History Note:* Authority G.S. 105-41; 105-262;  
Eff. February 1, 1976;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

**17 NCAC 04B .0604 CPA'S: NOT A REGULATORY LICENSE**

G.S. 105-41 is purely a revenue measure and does not purport to be a regulatory measure. Certified public accountants have written into their regulatory statute a provision limiting the issuance of CPA privilege licenses to applicants who are duly licensed by their regulatory body, but this is not true with respect to other professions covered by G.S. 105-41, nor to accountants who are not certified public accountants as defined in said regulatory laws.

*History Note:* Authority G.S. 105-41; 105-262;  
Eff. February 1, 1976;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

**17 NCAC 04B .0605 DRAFTSMAN**

A person employed by an architect as a draftsman only, and fees paid for his services are not for architectural services rendered, is not subject to an architect's license. An architect employed by another architect, who renders architectural services, is subject to architect's license under G.S. 105-41.

*History Note:* Authority G.S. 105-41; 105-262;  
Eff. February 1, 1976;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

**17 NCAC 04B .0606 GRAVE PLOTS**

A person selling grave plots only, even though a deed is given, is exempt from real estate dealer's license.

*History Note:* Authority G.S. 105-41; 105-262;  
Eff. February 1, 1976;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

**17 NCAC 04B .0607 LAND SURVEYOR**

**17 NCAC 04B .0608 MASSEURS OR MASSEUSES**

*History Note:* Authority G.S. 105-41; 105-262;  
Eff. February 1, 1976;

*Expired Eff. January 1, 2019 pursuant to G.S. 150B-21.3A.*

**17 NCAC 04B .0609 OPTICIAN**

G.S. 90-236 states that "fitting glasses on the face" constitutes practicing as a dispensing optician. Therefore, dispensing opticians fitting frames to customers' faces, and making adjustments thereto, are subject to optician's privilege license tax.

*History Note: Authority G.S. 105-41; 105-262;  
Eff. February 1, 1976;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.*

**17 NCAC 04B .0610 PHYSICAL THERAPIST**

A physical therapist who works only under the orders and direction of registered physicians and does not attempt to diagnose and independently apply physical therapy is not subject to privilege license under G.S. 105-41; however, persons who independently apply physical therapy for a reward are practicing the art of healing and are therefore subject to privilege license.

*History Note: Authority G.S. 105-41; 105-262;  
Eff. February 1, 1976;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.*

**17 NCAC 04B .0611 PRACTICING PHYSICIANS**

In addition to the regulatory license issued by the State Board of Medical Examiners, a practicing physician shall apply for and obtain from the Secretary of Revenue a statewide physician privilege license. Varying situations involving a physician and the applicability of the physician privilege license tax for these situations are as follows:

- (1) A physician licensed by the State Board of Medical Examiners but not performing duties appropriate to his profession (for example, is the head of a State agency and has no medical practice) is not "practicing" and is not subject to the physician privilege license tax;
- (2) A physician in private practice, either exclusively or partially, is subject to the physician privilege license tax;
- (3) A physician practicing his profession but wholly compensated from appropriations, grants, business income (income from a "business" in the non-professional sense; for example, a physician employed by an industrial plant to attend its industrial employees at its plant), or from sources other than funds generated by fees charged for his services is not subject to the physician privilege license tax;
- (4) A physician practicing his profession and compensated in part from a fund or "pool" derived in part or in full from fees charged for his services is subject to the physician privilege license tax notwithstanding the fact that some of his compensation may also come from appropriations, grants, business income (income from a "business" in the non-professional sense; for example, a physician employed by an industrial plant to attend its industrial employees at its plant), or other "non-fee" sources.

*History Note: Authority G.S. 105-41; 105-262;  
Eff. February 1, 1976;  
Amended Eff. March 14, 1980; June 11, 1977;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.*

**17 NCAC 04B .0612 GOVERNMENT ATTORNEYS-AT-LAW AND OTHER PROFESSIONALS EXEMPT FROM PRIVILEGE LICENSE TAX**

An individual practicing a profession or engaging in a business as set forth in G.S. 105-41(a) shall not be required to pay the tax as set forth in G.S. 105-41 when all the following apply:

- (1) The individual exclusively acts as an employee of federal, state, or local governments when practicing the profession or engaging in the business.

- (2) The individual does not hold himself or herself out to the public as a professional described in G.S. 105-41(a) unless the representation is within the scope of employment with federal, state, or local governments.
- (3) The individual does not share in the fees paid to the government employing the individual.

*History Note:* Authority G.S. 105-41; 105-262;  
Eff. February 1, 1976;  
Readopted Eff. January 1, 2021.

**17 NCAC 04B .0613      PHYSICIAN: CONSULTANT ON LAB EXAM**

*History Note:* Authority G.S. 105-41; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. March 14, 1980.

**17 NCAC 04B .0614      PSYCHOLOGIST**

A psychologist who engages in the art of healing for a fee or reward is subject to privilege license. The psychologist license is not levied on the practice of psychology, as such, but on persons engaged in the art of healing which does include psychologists if they engage in such activity.

*History Note:* Authority G.S. 105-41; 105-262;  
Eff. February 1, 1976;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

**17 NCAC 04B .0615      SUSPENSION OF PROFESSIONAL LICENSES**

*History Note:* Authority G.S. 105-41; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. August 1, 1998.

**SECTION .0700 - PRIVATE PROTECTIVE SERVICES**

**17 NCAC 04B .0701      REGULATORY LICENSE REQUIRED  
17 NCAC 04B .0702      COLLECTING AGENCY**

*History Note:* Authority G.S. 14-401.2; 105-42; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**SECTION .0800 - COAL AND COKE DEALERS**

**17 NCAC 04B .0801      SINGLE DELIVERIES OF 100 POUNDS OR LESS**

*History Note:* Authority G.S. 105-44; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. July 1, 1984.

**17 NCAC 04B .0802      SOLICITING WITHOUT PROFIT**

*History Note:* Authority G.S. 105-44; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**SECTION .0900 - COLLECTING AGENCIES**

**17 NCAC 04B .0901      ELECTRICITY BILLS**  
**17 NCAC 04B .0902      MAIL COLLECTION**

*History Note:*    Authority G.S. 105-45; 105-262;  
                         Eff. February 1, 1976;  
                         Amended Eff. October 30, 1981;  
                         Repealed Eff. December 1, 1997.

**SECTION .1000 - ITINERANT PHOTOGRAPHER'S: THEIR AGENTS AND EMPLOYEES**

**17 NCAC 04B .1001      ENLARGEMENT OF PICTURES**  
**17 NCAC 04B .1002      DEPARTMENT STORE PHOTOGRAPHERS**  
**17 NCAC 04B .1003      VARYING ITINERANT SITUATIONS**

*History Note:*    Authority G.S. 105-41; 105-48.1; 105-262;  
                         Eff. February 1, 1976;  
                         Amended Eff. June 1, 1979;  
                         Repealed Eff. October 30, 1981.

**SECTION .1100 - BICYCLE DEALERS**

**17 NCAC 04B .1101      APPLICABILITY OF LICENSE TO ANOTHER**

*History Note:*    Authority G.S. 105-49; 105-89.1; 105-262;  
                         Eff. February 1, 1976;  
                         Repealed Eff. July 1, 1990.

**17 NCAC 04B .1102      SMALL TWO-WHEEL VEHICLE**

*History Note:*    Authority G.S. 105-49; 105-262;  
                         Eff. February 1, 1976;  
                         Transferred and Recodified to 17 NCAC 4B .4501 Eff. July 1, 1990.

**SECTION .1200 - AUTOMATIC MACHINES: SEWING MACHINES**

**17 NCAC 04B .1201      BURNERS USING PETROLEUM GAS**

*History Note:*    Authority G.S. 105-51; 105-262;  
                         Eff. February 1, 1976;  
                         Repealed Eff. July 1, 1979.

**17 NCAC 04B .1202      BOTTLER SELLING DRINK DISPENSERS**

*History Note:*    Authority G.S. 105-51; 105-262;  
                         Eff. February 1, 1976;  
                         Transferred and Recodified to 17 NCAC 4B .4502 Eff. July 1, 1990.

**17 NCAC 04B .1203      NOT SPECIFICALLY MENTIONED**

*History Note:*    Authority G.S. 105-51; 105-262;  
                         Eff. February 1, 1976;  
                         Transferred and Recodified to 17 NCAC 4B .4503 Eff. July 1, 1990.

**17 NCAC 04B .1204      GAS REFRIGERATORS**  
**17 NCAC 04B .1205      HEAVY DUTY VACUUM CLEANERS**





**17 NCAC 04B .1307 FISH EXEMPTION**

*History Note:* Authority G.S. 105-53; 105-262; 113-129;  
Eff. June 11, 1977;  
Repealed Eff. July 1, 1990.

**17 NCAC 04B .1308 LICENSE PROCUREMENT AND DISPLAY**

*History Note:* Authority G.S. 105-53; 105-262;  
Eff. July 1, 1988;  
Repealed Eff. July 1, 1990.

**17 NCAC 04B .1309 INFORMATION TO REVENUE DEPARTMENT**

*History Note:* Authority G.S. 105-53; 105-262;  
Eff. July 1, 1988;  
Repealed Eff. July 1, 1990.

**SECTION .1400 - CONTRACTORS AND CONSTRUCTION COMPANIES**

- 17 NCAC 04B .1401 PROJECT LICENSE NOT PRORATED**
- 17 NCAC 04B .1402 DATE DUE**
- 17 NCAC 04B .1403 CEDED AREAS**
- 17 NCAC 04B .1404 BUILDING ON LAND OWNED BY BUILDER**
- 17 NCAC 04B .1405 AIR CONDITIONING**
- 17 NCAC 04B .1406 PAINTING CONTRACTOR**
- 17 NCAC 04B .1407 ELEVATORS AND AUTOMATIC SPRINKLERS**

*History Note:* Authority G.S. 105-54; 105-262;  
Eff. February 1, 1976;  
Amended Eff. January 1, 1994; October 30, 1981;  
Repealed Eff. December 1, 1997.

**SECTION .1500 - MERCANTILE AGENCIES**

**17 NCAC 04B .1501 LIABILITY**

*History Note:* Authority G.S. 105-57; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**17 NCAC 04B .1502 REPORT OF FINANCIAL STANDING**

*History Note:* Authority G.S. 105-57; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. July 1, 1990.

**SECTION .1600 - DAY-CARE FACILITIES**

- 17 NCAC 04B .1601 NUMBER LICENSED BY BOARD**
- 17 NCAC 04B .1602 GOVERNMENTAL FACILITIES**

*History Note:* Authority G.S. 105-60; 105-262;

*Eff. February 1, 1976;*  
*Amended Eff. July 1, 1990;*  
*Repealed Eff. December 1, 1997.*

**SECTION .1700 - HOTELS: MOTELS: TOURIST COURTS: TOURIST HOMES: CAMPGROUNDS:  
TRAILER PARKS**

**17 NCAC 04B .1701 AMERICAN VS EUROPEAN PLAN**

*History Note: Authority G.S. 105-61; 105-262;*  
*Eff. February 1, 1976;*  
*Amended Eff. October 30, 1981;*  
*Repealed Eff. January 1, 1994.*

**17 NCAC 04B .1702 SEASONAL RATE**

*History Note: Authority G.S. 105-61; 105-262;*  
*Eff. February 1, 1976;*  
*Repealed Eff. October 30, 1981.*

**17 NCAC 04B .1703 RESTAURANT LICENSE LIABILITY**  
**17 NCAC 04B .1704 YMCA OR YWCA**  
**17 NCAC 04B .1705 SUMMER CAMP**  
**17 NCAC 04B .1706 CHURCH ASSEMBLY**

*History Note: Authority G.S. 105-61; 105-62; 105-102.5; 105-262;*  
*Eff. February 1, 1976;*  
*Amended Eff. July 1, 1990; October 30, 1981;*  
*Repealed Eff. December 1, 1997.*

**17 NCAC 04B .1707 PRIVATE RESIDENCES OR COTTAGES**

*History Note: Authority G.S. 105-61; 105-262;*  
*Eff. February 1, 1976;*  
*Amended Eff. June 11, 1977;*  
*Repealed Eff. October 30, 1981.*

**17 NCAC 04B .1708 GOVERNMENT CAMPGROUNDS**

*History Note: Authority G.S. 105-61.1; 105-262;*  
*Eff. February 1, 1976;*  
*Transferred and Recodified to 17 NCAC 4B .4504 Eff. July 1, 1990.*

**17 NCAC 04B .1709 HOTELS CHARGING ADMISSION TO ENTERTAINMENT**

*History Note: Authority G.S. 105-33; 105-37.1; 105-61; 105-262;*  
*Eff. July 1, 1984;*  
*Repealed Eff. December 1, 1997.*

**SECTION .1800 - RESTAURANTS**

**17 NCAC 04B .1801 SANDWICH VENDING MACHINES**

*History Note: Authority G.S. 105-65.1; 105-65.2; 105-262;*  
*Eff. February 1, 1976;*

*Amended Eff. July 1, 1979;*  
*Repealed Eff. October 30, 1981.*

**17 NCAC 04B .1802      APPLICABILITY OF LICENSE TO ANOTHER**

*History Note:      Authority G.S. 105-62; 105-262;*  
*Eff. February 1, 1976;*  
*Repealed Eff. July 1, 1979.*

- 17 NCAC 04B .1803      CAFETERIAS FOR EMPLOYEES**
- 17 NCAC 04B .1804      HOSPITALS**
- 17 NCAC 04B .1805      CLUBS: COMMERCIAL OPERATION**
- 17 NCAC 04B .1806      CLUBS: NONCOMMERCIAL OPERATION**

*History Note:      Authority G.S. 105-62; 105-262;*  
*Eff. February 1, 1976;*  
*Amended Eff. October 30, 1981;*  
*Repealed Eff. December 1, 1997.*

- 17 NCAC 04B .1807      PREPARED FOOD**
- 17 NCAC 04B .1808      CHAIN STORE LICENSE FOR TAKE-OUT OPERATION**
- 17 NCAC 04B .1809      OUTSIDE SEATING**
- 17 NCAC 04B .1810      CATERING SERVICE**

*History Note:      Authority G.S. 105-62; 105-98; 105-262;*  
*Eff. June 11, 1977;*  
*Amended Eff. July 1, 1990;*  
*Repealed Eff. December 1, 1997.*

**17 NCAC 04B .1811      FOOD SERVICE OPERATION OF VENDING MACHINE OPERATOR**

*History Note:      Authority G.S. 105-62; 105-65.1; 105-262;*  
*Eff. July 1, 1984;*  
*Repealed Eff. January 1, 1994.*

**SECTION .1900 - BILLIARD AND POOL TABLES**

**17 NCAC 04B .1901      TABLE MEASUREMENT**

*History Note:      Authority G.S. 105-64; 105-262;*  
*Eff. February 1, 1976;*  
*Repealed Eff. July 1, 1990.*

**17 NCAC 04B .1902      COLLEGE UNION**

*History Note:      Authority G.S. 105-64; 105-262;*  
*Eff. February 1, 1976;*  
*Amended Eff. July 1, 1979;*  
*Transferred and Recodified to 17 NCAC 4B .4505 Eff. July 1, 1990.*

**SECTION .2000 - MUSIC MACHINES**

**17 NCAC 04B .2001      OPERATOR'S LICENSE**

*History Note:* Authority G.S. 105-65; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. January 1, 1994.

**17 NCAC 04B .2002 COIN-OPERATED RADIO OR TELEVISION**

*History Note:* Authority G.S. 105-65; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. December 1, 1997.

**17 NCAC 04B .2003 SEMIANNUAL INFORMATIONAL REPORT**

*History Note:* Authority G.S. 105-65; 105-250.1; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. July 1, 1984.

**SECTION .2100 - MERCHANDISING DISPENSERS AND WEIGHING MACHINES**

**17 NCAC 04B .2101 NOT PRORATED  
17 NCAC 04B .2102 DISPENSER GROSS RECEIPTS TAX REPORT**

*History Note:* Authority G.S. 105-65.1; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**17 NCAC 04B .2103 SEMIANNUAL INFORMATIONAL REPORT**

*History Note:* Authority G.S. 105-65.1; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. July 1, 1984.

**17 NCAC 04B .2104 APPLICATION FOR REPLACEMENT LICENSE**

*History Note:* Authority G.S. 105-65.1; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. July 1, 1979.

**17 NCAC 04B .2105 NO LOCATION LICENSE WHEN GROSS RECEIPTS DUE**

*History Note:* Authority G.S. 105-65.1; 105-262;  
Eff. February 1, 1976;  
Amended Eff. July 1, 1979;  
Repealed Eff. July 1, 1990.

**17 NCAC 04B .2106 OPERATOR OF CLOSED CONTAINER WITH FIVE DISPENSERS**

*History Note:* Authority G.S. 105-65.1; 105-262;  
Eff. February 1, 1976;  
Amended Eff. June 1, 1979;  
Repealed Eff. October 1, 1984.

**17 NCAC 04B .2107 APPLYING LICENSE TO ANOTHER**

*History Note:* Authority G.S. 105-65.1; 105-262;  
Eff. February 1, 1976;

*Repealed Eff. July 1, 1979.*

**17 NCAC 04B .2108      FEDERAL GOVERNMENT**

*History Note:      Authority G.S. 105-65.2; 105-262;  
Eff. February 1, 1976;  
Transferred and Recodified to 17 NCAC 4B .4510 Eff. July 1, 1990.*

**17 NCAC 04B .2109      NATIONAL BANK**

*History Note:      Authority G.S. 105-65.1; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. June 1, 1979.*

**17 NCAC 04B .2110      STATE GOVERNMENT**

*History Note:      Authority G.S. 105-65.2; 105-262;  
Eff. February 1, 1976;  
Transferred and Recodified to 17 NCAC 4B .4511 Eff. July 1, 1990.*

**17 NCAC 04B .2111      CREDIT UNIONS**

*History Note:      Authority G.S. 105-65.2; 105-262;  
Eff. February 1, 1976;  
Transferred and Recodified to 17 NCAC 4B .4512 Eff. July 1, 1990.*

**17 NCAC 04B .2112      SCHOOL LUNCHROOM**

*History Note:      Authority G.S. 105-65.2; 105-262;  
Eff. February 1, 1976;  
Transferred and Recodified to 17 NCAC 4B .4513 Eff. July 1, 1990.*

**17 NCAC 04B .2113      EMPTY CUP**

**17 NCAC 04B .2114      COFFEE AND HOT CHOCOLATE**

*History Note:      Authority G.S. 105-65.1; 105-102.5; 105-262;  
Eff. February 1, 1976;  
Amended Eff. July 1, 1990; July 1, 1979;  
Repealed Eff. December 1, 1997.*

**17 NCAC 04B .2115      COIN-OPERATED GAS PUMPS**

*History Note:      Authority G.S. 105-65.1; 105-65.2; 105-262;  
Eff. February 1, 1976;  
Amended Eff. July 1, 1979;  
Repealed Eff. July 1, 1990.*

**17 NCAC 04B .2116      PHOTOSTAT AND PHOTOGRAPH MACHINES**

*History Note:      Authority G.S. 105-65.1; 105-102.5; 105-262;  
Eff. February 1, 1976;  
Amended Eff. July 1, 1990; July 1, 1979;  
Repealed Eff. December 1, 1997.*

**17 NCAC 04B .2117      DUAL PURPOSE VENDING MACHINE**

*History Note:* Authority G.S. 105-65.1; 105-102.5; 105-262;  
Eff. June 11, 1977;  
Amended Eff. July 1, 1990; July 1, 1979;  
Repealed Eff. December 1, 1997.

**SECTION .2200 - BAGATELLE TABLES, MERRY-GO-ROUNDS, ETC., AND ELECTRONIC VIDEO GAMES**

**17 NCAC 04B .2201 ONE LICENSE FOR OTHER GAMES**

*History Note:* Authority G.S. 105-66; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. July 1, 1990.

**17 NCAC 04B .2202 GOVERNMENTAL ACTIVITY**

*History Note:* Authority G.S. 105-66; 105-262;  
Eff. February 1, 1976;  
Transferred and Recodified to 17 NCAC 4B .4514 Eff. July 1, 1990.

**17 NCAC 04B .2203 NONPROFIT PRIVATE CLUBS**

*History Note:* Authority G.S. 105-66; 105-262;  
Eff. February 1, 1976;  
Transferred and Recodified to 17 NCAC 4B .4515 Eff. July 1, 1990.

**17 NCAC 04B .2204 SHUFFLEBOARD: PINBALL AND BOWLING MACHINES**

*History Note:* Authority G.S. 105-66; 105-262;  
Eff. February 1, 1976;  
Amended Eff. June 11, 1977;  
Transferred and Recodified to 17 NCAC 4B .4516 Eff. July 1, 1990.

**17 NCAC 04B .2205 SKI SLOPES: ICE SKATING AND ROLLER RINKS**

*History Note:* Authority G.S. 105-66; 105-262;  
Eff. February 1, 1976;  
Transferred and Recodified to 17 NCAC 4B .4517 Eff. July 1, 1990.

**17 NCAC 04B .2206 ARCHERY RANGES**

*History Note:* Authority G.S. 105-66; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. July 1, 1990.

**17 NCAC 04B .2207 SEVERAL OPERATORS AT ONE LOCATION**

*History Note:* Authority G.S. 105-66; 105-262;  
Eff. February 1, 1976;  
Transferred and Recodified to 17 NCAC 4B .4518 Eff. July 1, 1990.

**17 NCAC 04B .2208 AMUSEMENT CENTER**

*History Note:* Authority G.S. 105-66; 105-262;

*Eff. February 1, 1976;*  
*Repealed Eff. October 30, 1981.*

**17 NCAC 04B .2209 ELECTRONIC VIDEO GAMES**

*History Note: Authority G.S. 105-66.1; 105-262;*  
*Eff. July 1, 1984;*  
*Repealed Eff. December 1, 1997.*

**SECTION .2300 - PACKINGHOUSES**

**17 NCAC 04B .2301 INDIVIDUAL EMPLOYING ONE PERSON**

*History Note: Authority G.S. 105-70; 105-262;*  
*Eff. February 1, 1976;*  
*Repealed Eff. October 30, 1981.*

**17 NCAC 04B .2302 HALVING OR QUARTERING ONLY**  
**17 NCAC 04B .2303 COLD STORAGE ROOM**

*History Note: Authority G.S. 105-70; 105-262;*  
*Eff. February 1, 1976;*  
*Repealed Eff. December 1, 1997.*

**SECTION .2400 - PRESSING CLUBS: DRY CLEANING PLANTS: AND HAT BLOCKERS**

**17 NCAC 04B .2401 RUGS ONLY**  
**17 NCAC 04B .2402 CLEANING FURNITURE IN THE HOME**

*History Note: Authority G.S. 105-74; 105-262;*  
*Eff. February 1, 1976;*  
*Repealed Eff. December 1, 1997.*

**SECTION .2500 - BARBERSHOPS AND BEAUTY SHOPS**

**17 NCAC 04B .2501 STUDENTS**  
**17 NCAC 04B .2502 ELECTROLYSIS**

*History Note: Authority G.S. 105-75; 105-262;*  
*Eff. February 1, 1976;*  
*Repealed Eff. October 30, 1981.*

**SECTION .2600 - SODA FOUNTAINS: SOFT DRINK STANDS**

**17 NCAC 04B .2601 APPLICABILITY OF LICENSE TO ANOTHER**

*History Note: Authority G.S. 105-79; 105-262;*  
*Eff. February 1, 1976;*  
*Repealed Eff. July 1, 1979.*

**17 NCAC 04B .2602 PRISON CAMPS**

*History Note: Authority G.S. 105-65.2; 105-262;*  
*Eff. February 1, 1976;*  
*Transferred and Recodified to 17 NCAC 4B .4506 Eff. July 1, 1990.*



**17 NCAC 04B .2603 VETERANS CLUBS**

*History Note:* Authority G.S. 105-65.2; 105-262;  
Eff. February 1, 1976;  
Amended Eff. July 1, 1979;  
Transferred and Recodified to 17 NCAC 4B .4507 Eff. July 1, 1990.

**17 NCAC 04B .2604 COMMISSARY**

*History Note:* Authority G.S. 105-65.2; 105-262;  
Eff. February 1, 1976;  
Transferred and Recodified to 17 NCAC 4B .4508 Eff. July 1, 1990.

**17 NCAC 04B .2605 MUNICIPALITY**

*History Note:* Authority G.S. 105-65.2; 105-262;  
Eff. February 1, 1976;  
Transferred and Recodified to 17 NCAC 4B .4509 Eff. July 1, 1990.

**17 NCAC 04B .2606 DISPENSER OPERATOR NOT LIABLE**

*History Note:* Authority G.S. 105-65.2; 105-262;  
Eff. February 1, 1976;  
Amended Eff. July 1, 1979;  
Repealed Eff. October 30, 1981.

**SECTION .2700 - DEALERS IN PISTOLS: ETC.**

- 17 NCAC 04B .2701 PISTOL LICENSE COVERS METALLIC CARTRIDGE**
- 17 NCAC 04B .2702 SEPARATE LICENSE FOR BLANK CARTRIDGE PISTOLS**
- 17 NCAC 04B .2703 APPLICABILITY OF LICENSE TO ANOTHER**

*History Note:* Authority G.S. 105-80; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. July 1, 1990.

**SECTION .2800 - PIANOS: ORGANS: VICTROLAS: RECORDS: RADIOS: ACCESSORIES**

**17 NCAC 04B .2801 FREE RECORD WITH PURCHASE OF MERCHANDISE**

*History Note:* Authority G.S. 105-82; 105-262;  
Eff. February 1, 1976;  
Amended Eff. October 30, 1981;  
Transferred and Recodified to 17 NCAC 4B .4519 Eff. July 1, 1990.

**17 NCAC 04B .2802 FLASHLIGHT BATTERIES**

*History Note:* Authority G.S. 105-82; 105-262;  
Eff. February 1, 1976;  
Transferred and Recodified to 17 NCAC 4B .4520 Eff. July 1, 1990.

**17 NCAC 04B .2803 MUSICAL TAPES**

*History Note:* Authority G.S. 105-82; 105-262;

*Eff. June 11, 1977;*  
*Repealed Eff. September 20, 1977.*

**17 NCAC 04B .2804      SHORTWAVE RADIOS**

*History Note:      Authority G.S. 105-82; 105-262;*  
*Eff. June 11, 1977;*  
*Transferred and Recodified to 17 NCAC 4B .4521 Eff. July 1, 1990.*

**SECTION .2900 - INSTALLMENT PAPER DEALER**

**17 NCAC 04B .2901      LIEN IN THIS STATE**

*History Note:      Authority G.S. 105-83; 105-262;*  
*Eff. February 1, 1976;*  
*Repealed Eff. October 30, 1981.*

**17 NCAC 04B .2902      LIABILITY FOR DIRECT LOANS**

A person who makes direct loans and who also buys installment paper is subject to both G.S. 105-83 and G.S. 105-88.

*History Note:      Authority G.S. 105-83; 105-88; 105-262;*  
*Eff. February 1, 1976;*  
*Amended Eff. July 1, 2000;*  
*Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.*

**17 NCAC 04B .2903      INSTALLMENT PAPER DEALER QUARTERLY RETURN**

- (a) "Installment paper dealer" means a person required to file a return pursuant to G.S. 105-83.
- (b) Installment paper dealers shall file their quarterly return using Form B-203.
- (c) Form B-203 requires the following:
  - (1) the reporting period for the return;
  - (2) information required by 17 NCAC 01C .0322(b);
  - (3) the installment paper dealer's legal name and mailing address;
  - (4) the trade name or doing-business-as name, if applicable;
  - (5) if the installment paper dealer elects to designate a contact person, the identity of a contact person, including his or her legal name, phone number, and fax number;
  - (6) a designation of whether the form is an amended form;
  - (7) the total face value of installment paper acquired during the reporting period;
  - (8) the tax due on the face value of installment paper acquired during the reporting period;
  - (9) the penalty and interest due, if any, in accordance with G.S. 105-236 and G.S. 105-241.21;
  - (10) the total payment due;
  - (11) for the person authorized to legally bind the installment paper dealer, his or her:
    - (A) signature;
    - (B) job title;
    - (C) date of signature; and
    - (D) affirmation that the return is accurate and complete;
  - (12) the location where the installment paper is held; and
  - (13) the face value of installment paper acquired delineated by location.
- (d) The installment dealer shall file a return even if the installment paper dealer did not acquire obligations described in G.S. 105-83(a) during the reporting period.

*History Note:      Authority G.S. 105-83; 105-262;*  
*Eff. February 1, 1976;*  
*Amended Eff. July 1, 2000; October 30, 1981; June 11, 1977;*  
*Readopted Eff. January 1, 2021.*

**17 NCAC 04B .2904 TOTAL FACE VALUE**

The installment paper dealer tax applies to the total face value of the paper, which value is the sum of the principal shown on the face of the paper plus any accrued interest.

*History Note: Authority G.S. 105-83; 105-262;  
Eff. June 11, 1977;  
Amended Eff. June 1, 1979;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.*

**17 NCAC 04B .2905 NONRESIDENT ENGAGED IN BUSINESS**

G.S. 105-83 does not impose a tax on the business of dealing in, buying and/or discounting installment paper which is engaged in exclusively in a foreign state. When any of the activity incident to such business occurs in North Carolina, G.S. 105-83 applies. Such activities include the promotion and solicitation of such business by employees or agents within this State, whether or not the transfer of such paper is consummated in this State.

*History Note: Authority G.S. 105-83; 105-262;  
Eff. July 1, 1984;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.*

**SECTION .3000 - LAUNDRIES**

**17 NCAC 04B .3001 EDUCATIONAL INSTITUTIONS  
17 NCAC 04B .3002 RUGS ONLY**

*History Note: Authority G.S. 105-85; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. December 1, 1997.*

**17 NCAC 04B .3003 SHIRTS OR UNIFORMS**

*History Note: Authority G.S. 105-85; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.*

**17 NCAC 04B .3004 INDUSTRIAL RAGS AND WIPERS**

*History Note: Authority G.S. 105-85; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. December 1, 1997.*

**17 NCAC 04B .3005 HOME-SIZE MACHINES**

*History Note: Authority G.S. 105-85; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. July 1, 1990.*

**17 NCAC 04B .3006 DIAPER SERVICES**

*History Note: Authority G.S. 105-85; 105-262;  
Eff. February 1, 1976;  
Amended Eff. January 1, 1994;  
Repealed Eff. December 1, 1997.*

**17 NCAC 04B .3007      APARTMENT OWNER EXEMPTION**

*History Note:*     Authority G.S. 105-85; 105-262;  
                          Eff. June 11, 1977;  
                          Repealed Eff. October 30, 1981.

**SECTION .3100 - OUTDOOR ADVERTISING**

**17 NCAC 04B .3101      ADVERTISING BY CANDIDATE FOR PUBLIC OFFICE**  
**17 NCAC 04B .3102      SUPPLEMENTAL APPLICATION**

*History Note:*     Authority G.S. 105-86; 105-262;  
                          Eff. February 1, 1976;  
                          Repealed Eff. December 1, 1997.

**SECTION .3200 - MOTOR ADVERTISERS**

**17 NCAC 04B .3201      PRODUCTS OF ICE CREAM**  
**17 NCAC 04B .3202      PRODUCTS OF OTHERS**  
**17 NCAC 04B .3203      NO PRODUCT INVOLVED**

*History Note:*     Authority G.S. 105-87; 105-262;  
                          Eff. February 1, 1976;  
                          Repealed Eff. October 30, 1981.

**SECTION .3300 - LOAN AGENCIES OR BROKERS**

**17 NCAC 04B .3301      REAL ESTATE LOANS: LOANING OWN FUNDS**

A person who, as agent, engages in the business of negotiating real estate loans using funds belonging to his loan correspondents is subject to real estate license tax under G.S. 105-41. A person making real estate loans in his own name with his own funds and selling those loans to insurance companies and other loan investment companies is subject to loan agency license under G.S. 105-88 unless meeting the exemption under subsection (b) of that section. A person engaging in both activities is subject to both licenses.

*History Note:*     Authority G.S. 105-88; 105-41; 105-262;  
                          Eff. February 1, 1976;  
                          Amended Eff. January 1, 1994;  
                          Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

**17 NCAC 04B .3302      REAL ESTATE LOANS: PERSONAL PROPERTY COLLATERAL**

A person who negotiates real estate loans for others and also includes as part of the collateral mortgages on automobiles or other personal property is subject to loan agency license under G.S. 105-88 and real estate license under G.S. 105-41.

*History Note:*     Authority G.S. 105-88; 105-41; 105-262;  
                          Eff. February 1, 1976;  
                          Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

**SECTION .3400 - AUTOMOBILE: WHOLESALE SUPPLY DEALERS: AND SERVICE STATIONS**

**17 NCAC 04B .3401      APPLICABILITY OF LICENSE TO ANOTHER**  
**17 NCAC 04B .3402      PARKING FACILITIES**

**17 NCAC 04B .3403      AUTO DEALER LICENSE COVERS OTHER ACTIVITY**  
**17 NCAC 04B .3404      RECAPPING TIRES ONLY**

*History Note:*    Authority G.S. 105-89; 105-262;  
                         Eff. February 1, 1976;  
                         Amended Eff. January 1, 1994;  
                         Repealed Eff. December 1, 1997.

**17 NCAC 04B .3405      CITY-WIDE LICENSE**

*History Note:*    Authority G.S. 105-89; 105-262;  
                         Eff. February 1, 1976;  
                         Repealed Eff. October 30, 1981.

**17 NCAC 04B .3406      NO TRANSFER FEE FOR CITY-WIDE LICENSE**  
**17 NCAC 04B .3407      FINANCE COMPANIES**  
**17 NCAC 04B .3408      SELF-SERVICE CAR WASH**

*History Note:*    Authority G.S. 105-89; 105-102.5; 105-262;  
                         Eff. February 1, 1976;  
                         Amended Eff. January 1, 1994; July 1, 1990; July 1, 1979;  
                         Repealed Eff. December 1, 1997.

**17 NCAC 04B .3409      GROCERY STORE SALES OF AUTOMOTIVE PRODUCTS**  
**17 NCAC 04B .3410      AUTOMOBILE AUCTION**  
**17 NCAC 04B .3411      CAR BROKERS**  
**17 NCAC 04B .3412      MOBILE SERVICE AND REPAIR**

*History Note:*    Authority G.S. 105-89; 105-262;  
                         Eff. June 11, 1977;  
                         Amended Eff. July 1, 1990;  
                         Repealed Eff. December 1, 1997.

**17 NCAC 04B .3413      APPLYING FULL YEAR AND HALF-YEAR LICENSE**  
**17 NCAC 04B .3414      GARAGE SELLING TO ANOTHER GARAGE**

*History Note:*    Authority G.S. 105-89; 105-262;  
                         Eff. April 1, 1986;  
                         Amended Eff. July 1, 1990;  
                         Repealed Eff. December 1, 1997.

#### **SECTION .3500 - MOTORCYCLE DEALERS**

**17 NCAC 04B .3501      MOTORS INSTALLED TO FRAMES: MO-PEDS**  
**17 NCAC 04B .3502      CHAIN STORE LICENSE**

*History Note:*    Authority G.S. 105-89.1; 105-102.5; 105-262;  
                         Eff. February 1, 1976;  
                         Amended Eff. October 30, 1981; June 1, 1979;  
                         Repealed Eff. December 1, 1997.

#### **SECTION .3600 - EMIGRANT AND EMPLOYMENT AGENTS**

**17 NCAC 04B .3601      LIABILITY FOR TWO LICENSES**  
**17 NCAC 04B .3602      AGENCIES PROVIDING TEMPORARY WORKERS**

*History Note:* Authority G.S. 105-90; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. December 1, 1997.

**SECTION .3700 - PLUMBERS: HEATING CONTRACTORS: AND ELECTRICIANS**

**17 NCAC 04B .3701 AIR CONDITIONING TAXABLE UNDER G.S. 105-54**

*History Note:* Authority G.S. 105-91; 105-54; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. January 1, 1994.

**17 NCAC 04B .3702 ONE LICENSE COVERS ALL ACTIVITIES LISTED**

*History Note:* Authority G.S. 105-91; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. December 1, 1997.

**17 NCAC 04B .3703 ONE-HALF RATE**

*History Note:* Authority G.S. 105-91; 105-262;  
Eff. February 1, 1976;  
Amended Eff. June 11, 1977;  
Repealed Eff. October 30, 1981.

**17 NCAC 04B .3704 STRUCTURES SUPPORTING ELECTRICAL FIXTURES**

*History Note:* Authority G.S. 105-91; 105-262;  
Eff. June 11, 1977;  
Amended Eff. January 1, 1994;  
Repealed Eff. December 1, 1997.

**SECTION .3800 - TRADING STAMPS**

**17 NCAC 04B .3801 MERCHANT WHO GIVES AND REDEEMS STAMPS**

**17 NCAC 04B .3802 REDEMPTION STORE LIABILITY**

*History Note:* Authority G.S. 105-92; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. July 1, 1984.

**SECTION .3900 - MANUFACTURERS OF ICE CREAM**

**17 NCAC 04B .3901 RETAIL LICENSE**

*History Note:* Authority G.S. 105-97; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**17 NCAC 04B .3902 ICE CREAM DEFINED FOR THIS SECTION**

*History Note:* Authority G.S. 105-97; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. December 1, 1997.

**17 NCAC 04B .3903      MOBILE UNITS**

*History Note:*    Authority G.S. 105-97; 105-262;  
                          Eff. February 1, 1976;  
                          Repealed Eff. July 1, 1990.

**SECTION .4000 - BRANCH OR CHAIN STORES**

**17 NCAC 04B .4001      ABC STORES**

*History Note:*    Authority G.S. 105-98; 105-262;  
                          Eff. February 1, 1976;  
                          Repealed Eff. December 1, 1997.

**17 NCAC 04B .4002      BAKERY THRIFT STORES**

*History Note:*    Authority G.S. 105-98; 105-262;  
                          Eff. February 1, 1976;  
                          Repealed Eff. October 30, 1981.

**17 NCAC 04B .4003      BEACH STAND OR STORE**

**17 NCAC 04B .4004      COAL DEALER**

**17 NCAC 04B .4005      EXEMPTION: WHOLESALE SALE**

*History Note:*    Authority G.S. 105-98; 105-262;  
                          Eff. February 1, 1976;  
                          Amended Eff. January 1, 1994; October 30, 1981;  
                          Repealed Eff. December 1, 1997.

**17 NCAC 04B .4006      FERTILIZERS: SEED: ETC.**

*History Note:*    Authority G.S. 105-98; 105-262;  
                          Eff. February 1, 1976;  
                          Repealed Eff. October 30, 1981.

**17 NCAC 04B .4007      LEASED DEPARTMENTS**

**17 NCAC 04B .4008      MEAT PACKINGHOUSES**

**17 NCAC 04B .4009      PARTNERSHIP AND CORPORATION**

**17 NCAC 04B .4010      REDEMPTION STORES**

**17 NCAC 04B .4011      RESTAURANTS**

**17 NCAC 04B .4012      UNDERTAKING**

**17 NCAC 04B .4013      WAREHOUSE**

**17 NCAC 04B .4014      WHOLESALE AND RETAIL SIMILAR IN CHARACTER**

*History Note:*    Authority G.S. 105-98; 105-262;  
                          Eff. February 1, 1976;  
                          Amended Eff. January 1, 1994; July 1, 1984; June 11, 1977;  
                          Repealed Eff. December 1, 1997.

**SECTION .4100 - WHOLESALE DISTRIBUTORS OF MOTOR FUELS**

**17 NCAC 04B .4101      SUPPLEMENTAL FORM**

**17 NCAC 04B .4102      ACTING AS DISTRIBUTOR AND RETAILER**

*History Note:* Authority G.S. 105-99; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. December 1, 1997.

**17 NCAC 04B .4103 MOTOR FUEL NOT FOR HIGHWAY PURPOSES**

*History Note:* Authority G.S. 105-99; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. January 1, 1994.

**SECTION .4200 - JUNK DEALERS**

**17 NCAC 04B .4201 INDUSTRIAL PLANT**  
**17 NCAC 04B .4202 JUNKED CARS**  
**17 NCAC 04B .4203 AUTO DEALER**

*History Note:* Authority G.S. 105-102; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. July 1, 1984.

**17 NCAC 04B .4301 APPLICATION FOR PRIVILEGE LICENSE**  
**17 NCAC 04B .4302 PRIVILEGE LICENSE**

*History Note:* Authority G.S. 105-33; 105-104; 105-262;  
Eff. February 1, 1976;  
Amended Eff. December 1, 1997; July 1, 1984;  
Repealed Eff. July 1, 2000.

**17 NCAC 04B .4401 PENALTY PROVISIONS**  
**17 NCAC 04B .4402 RATE OF PENALTY; INTEREST**

*History Note:* Authority G.S. 105-109; 105-109.1; 105-262;  
Eff. February 1, 1976;  
Amended Eff. January 1, 1994; July 1, 1990; March 14, 1980;  
Repealed Eff. July 1, 2000.

**SECTION .4500 - GENERAL BUSINESS**

**17 NCAC 04B .4501 SMALL TWO-WHEEL VEHICLE**  
**17 NCAC 04B .4502 BOTTLER SELLING DRINK DISPENSERS**  
**17 NCAC 04B .4503 NOT SPECIFICALLY MENTIONED**  
**17 NCAC 04B .4504 GOVERNMENT CAMPGROUNDS**  
**17 NCAC 04B .4505 COLLEGE UNION**  
**17 NCAC 04B .4506 PRISON CAMPS**  
**17 NCAC 04B .4507 VETERANS CLUBS**  
**17 NCAC 04B .4508 COMMISSARY**  
**17 NCAC 04B .4509 MUNICIPALITY**  
**17 NCAC 04B .4510 FEDERAL GOVERNMENT**  
**17 NCAC 04B .4511 STATE GOVERNMENT**  
**17 NCAC 04B .4512 CREDIT UNIONS**  
**17 NCAC 04B .4513 SCHOOL LUNCHROOM**  
**17 NCAC 04B .4514 GOVERNMENTAL ACTIVITY**  
**17 NCAC 04B .4515 NONPROFIT PRIVATE CLUBS**  
**17 NCAC 04B .4516 SHUFFLEBOARD, PINBALL AND BOWLING MACHINES**  
**17 NCAC 04B .4517 SKI SLOPES: ICE SKATING AND ROLLER RINKS**



**17 NCAC 04B .4518 SEVERAL OPERATORS AT ONE LOCATION**  
**17 NCAC 04B .4519 FREE RECORD WITH PURCHASE OF MERCHANDISE**  
**17 NCAC 04B .4520 FLASHLIGHT BATTERIES**

*History Note:* Authority G.S. 105-102.5; 105-262;  
Eff. February 1, 1976;  
Amended Eff. October 30, 1981; July 1, 1979; June 11, 1977;  
17 NCAC 4B .4501 is Transferred and Recodified from 17 NCAC 4B .1102 Eff. July 1, 1990;  
17 NCAC 4B .4502 is Transferred and Recodified from 17 NCAC 4B .1202 Eff. July 1, 1990;  
17 NCAC 4B .4503 is Transferred and Recodified from 17 NCAC 4B .1203 Eff. July 1, 1990;  
17 NCAC 4B .4504 is Transferred and Recodified from 17 NCAC 4B .1708 Eff. July 1, 1990;  
17 NCAC 4B .4505 is Transferred and Recodified from 17 NCAC 4B .1902 Eff. July 1, 1990;  
17 NCAC 4B .4506 is Transferred and Recodified from 17 NCAC 4B .2602 Eff. July 1, 1990;  
17 NCAC 4B .4507 is Transferred and Recodified from 17 NCAC 4B .2603 Eff. July 1, 1990;  
17 NCAC 4B .4508 is Transferred and Recodified from 17 NCAC 4B .2604 Eff. July 1, 1990;  
17 NCAC 4B .4509 is Transferred and Recodified from 17 NCAC 4B .2605 Eff. July 1, 1990;  
17 NCAC 4B .4510 is Transferred and Recodified from 17 NCAC 4B .2108 Eff. July 1, 1990;  
17 NCAC 4B .4511 is Transferred and Recodified from 17 NCAC 4B .2110 Eff. July 1, 1990;  
17 NCAC 4B .4512 is Transferred and Recodified from 17 NCAC 4B .2111 Eff. July 1, 1990.  
17 NCAC 4B .4513 is Transferred and Recodified from 17 NCAC 4B .2112 Eff. July 1, 1990;  
17 NCAC 4B .4514 is Transferred and Recodified from 17 NCAC 4B .2202 Eff. July 1, 1990;  
17 NCAC 4B .4515 is Transferred and Recodified from 17 NCAC 4B .2203 Eff. July 1, 1990;  
17 NCAC 4B .4516 is Transferred and Recodified from 17 NCAC 4B .2204 Eff. July 1, 1990;  
17 NCAC 4B .4517 is Transferred and Recodified from 17 NCAC 4B .2205 Eff. July 1, 1990;  
17 NCAC 4B .4518 is Transferred and Recodified from 17 NCAC 4B .2207 Eff. July 1, 1990;  
17 NCAC 4B .4519 is Transferred and Recodified from 17 NCAC 4B .2801 Eff. July 1, 1990;  
17 NCAC 4B .4520 is Transferred and Recodified from 17 NCAC 4B .2802 Eff. July 1, 1990;  
Amended Eff. January 1, 1994; July 1, 1990;  
Repealed Eff. December 1, 1997.

**17 NCAC 04B .4521 SHORTWAVE RADIOS**

*History Note:* Authority G.S. 105-102.5; 105-262;  
Eff. June 11, 1977;  
17 NCAC 4B .4521 is Transferred and Recodified from 17 NCAC 4B .2804 Eff. July 1, 1990;  
Amended Eff. July 1, 1990;  
Repealed Eff. December 1, 1997.

**SUBCHAPTER 04C - TOBACCO PRODUCTS TAX**

**SECTION .0100 - GENERAL PROVISIONS**

**17 NCAC 04C .0101 DEFINITIONS**

In addition to those definitions as set out in G.S. 105-113.4, the following terms and phrases as used in this Subchapter have the following meanings:

- (1) "Article 2A" means the Tobacco Products Tax Act or Tobacco Products Tax Article, Article 2A, Chapter 105 of the General Statutes of North Carolina.
- (2) "Equivalent information" means the information required by Rule .0903(c) of this Subchapter in an alternative format such as a spreadsheet, database, or other compilation.
- (3) "Excise tax" means the excise tax levied under G.S. 105-113.5, G.S. 105-113.6, G.S. 105-113.35, or G.S. 105-113.35A.
- (4) "In this State or within this State" means within the exterior limits of the State of North Carolina, and includes all territory within the limits owned by, leased by, or ceded to the United States of America.

- (5) "Nonparticipating manufacturer" means the term as defined in G.S. 66-292(3).
- (6) "Nonresident distributor" means a distributor who is licensed pursuant to G.S. 105-113.24.
- (7) "Nonresident purchaser" means a person who is not a consumer and does not have a place of business in this State.
- (8) "Other tobacco products" means a cigar or any other product that contains tobacco, other than a cigarette, and is intended for inhalation or oral use; and a vapor product.
- (9) "Resident distributor" means a distributor who has a place of business within this State.
- (10) "Roll-your-own cigarette tobacco" means the term as defined in G.S. 66-290(4).
- (11) "Tax-paid cigarettes" mean cigarettes where the excise tax imposed by G.S. 105-113.5 or G.S. 105-113.6 has been paid.
- (12) "Tax-paid tobacco products" mean tobacco products where the excise tax imposed by G.S. 105 113.5, G.S. 105 113.6, G.S. 105-113.35, or G.S. 105-113.35A has been paid.
- (13) "Vending machine" means a dispenser or dispensing machine.

*History Note:* Authority G.S. 105-262;  
 Eff. February 1, 1976;  
 Amended Eff. January 1, 1994; June 1, 1992; October 30, 1981;  
 Readopted Eff. January 1, 2021.

**17 NCAC 04C .0102 RATE OF EXCISE STAMP TAX**  
**17 NCAC 04C .0103 RATE OF DISCOUNT ALLOWED**

*History Note:* Authority G.S. 105-113.5; 105-113.21; 105-113.37;  
 Eff. February 1, 1976;  
 Repealed Eff. October 30, 1981.

**17 NCAC 04C .0104 APPLICATION OR RENEWAL REQUIREMENTS FOR APPLICANTS AND LICENSEES UNDER ARTICLE 2A**

- (a) A distributor obtaining, renewing, or updating a license pursuant to G.S. 105-113.12 shall use Form B-A-2.
- (b) A wholesale dealer or retail dealer obtaining, renewing, or updating a license pursuant to G.S. 105-113.36 shall use Form B-A-2.
- (c) Form B-A-2 requires the following:
  - (1) a description of the transactions requested, including:
    - (A) a designation of whether the applicant or licensee is requesting an initial license, renewing a license, or updating information previously submitted on the form;
    - (B) the applicant's or licensee's business structure, such as a sole proprietorship, partnership, corporation, limited liability company, limited liability partnership;
    - (C) if requesting a new license or renewal of an existing license, the type of license requested;
    - (D) the seven digit number assigned by the North Carolina Secretary of State, if applicable; and
    - (E) the total payment due;
  - (2) the applicant's or licensee's business information, including:
    - (A) information required by 17 NCAC 01C .0322(b);
    - (B) the legal name;
    - (C) the date the business began operations;
    - (D) the trade name or doing-business-as name, if applicable;
    - (E) the physical location where non-tax-paid tobacco products are manufactured, received, or stored;
    - (F) the mailing address;
    - (G) the location where records are kept;
    - (H) the e-mail address, if available; and
    - (I) if the applicant or licensee elects to designate a contact person, the identity of the contact person including his or her legal name, telephone number, fax number, and e-mail address;
  - (3) the identity of the applicant's or licensee's owners, officers, partners, or members, and for each person identified, their:
    - (A) social security number, if a natural person;
    - (B) legal name;

- (C) job title;
  - (D) residential address;
  - (E) phone number; and
  - (F) misdemeanor or felony convictions, if any, and a statement describing the circumstances of the conviction, including the offense, date of offense, date of conviction, case number, court jurisdiction, and any active terms of probation;
- (4) the identity of persons who previously held an ownership interest in the applicant, and for each person identified:
- (A) their legal name;
  - (B) the name of business at the time the interest was held;
  - (C) the address of business at the time the interest was held; and
  - (D) the last date of ownership in the applicant or licensee;
- (5) if any person identified on the form previously owned, operated, or managed another legal entity selling, receiving, or purchasing tobacco products, the applicant or licensee shall include for each person identified:
- (A) the person's legal name;
  - (B) the person's social security number;
  - (C) the person's residential address;
  - (D) the name of the legal entity; and
  - (E) the person's job title held at the legal entity;
- (6) a description of the applicant's or licensee's operations, including:
- (A) a designation of whether the applicant or licensee is a resident, nonresident, affiliated manufacturer, or integrated wholesaler;
  - (B) the percentage of operations that are associated with retail, distribution or wholesale, manufacturing, or other activities;
  - (C) the number of locations storing non-tax-paid tobacco products and the physical address for each location;
  - (D) the number of locations storing tax-paid tobacco products and the physical address for each location;
  - (E) the date when the applicant or licensee began or intends to begin to sell non-tax-paid tobacco products;
  - (F) a designation of whether a surety bond or letter of credit is included with the form;
  - (G) a designation of whether the applicant or licensee currently or intends to buy or sell tobacco products by Internet, telephone, catalog, or any other means that would qualify as a delivery sale;
  - (H) a designation of whether the applicant or licensee currently or intends to buy or sell roll-your own cigarette tobacco;
  - (I) a designation of whether the applicant or licensee currently or intends to import tobacco from out-of-country vendors;
  - (J) if the applicant or licensee is a nonresident distributor or wholesale dealer, designating whether the applicant or licensee is licensed in the applicant's or licensee's state of residence;
  - (K) a designation of whether the applicant or licensee currently or intends to purchase vapor products;
  - (L) a list of all states where the applicant or licensee holds a tobacco products license and the license number for each license;
  - (M) if the applicant or licensee is applying for a distributor's license:
    - (i) a list of all manufacturers that will sell to the applicant or licensee non-tax-paid cigarettes;
    - (ii) the address and phone number of all manufacturers that will sell to the applicant or licensee non-tax-paid cigarettes;
    - (iii) a letter from those manufacturers affirming the manufacturers intent to sell to the applicant or licensee non-tax-paid cigarettes; and
    - (iv) a list of all cigarette brands the applicant or licensee intends to sell;
  - (N) if the applicant or licensee is applying for wholesale dealer's or retail dealer's license:
    - (i) a list of all suppliers providing the applicant or licensee other tobacco products where the excise tax under G.S. 105-113.35 or G.S. 105-113.35A has not been paid;
    - (ii) the supplier's legal name;
    - (iii) the supplier's address;

- (iv) the supplier's telephone number;
- (v) for each supplier, the date the applicant or licensee first purchased other tobacco products from the supplier; and
- (vi) the delivery method for each supplier not located in this State; and
- (O) a list of roll-your-own cigarette tobacco brands that the applicant or licensee intends to sell, if any; and
- (7) for the person authorized to legally bind the applicant or licensee, his or her:
  - (A) typed legal name;
  - (B) job title;
  - (C) signature;
  - (D) date of signature;
  - (E) telephone number;
  - (F) fax number;
  - (G) e-mail address; and
  - (H) affirmation that the form is accurate and complete.

*History Note:* Authority G.S. 105-113.11; 105-113.12; 105-113.36; 105-262;  
Eff. January 1, 2021.

## **SECTION .0200 - CIGARETTE DISTRIBUTOR'S LICENSE**

### **17 NCAC 04C .0201 APPLICATION OR RENEWAL REQUIREMENTS FOR A DISTRIBUTOR'S LICENSE; DUTY TO UPDATE**

- (a) A distributor obtaining, renewing, or updating a license pursuant to G.S. 105-113.12 shall use Form B-A-2 as set forth in Rule .0104 of this Subchapter.
- (b) A distributor shall notify the Department of any changes to the information previously provided on Form B-A-2 by submitting a revised Form B-A-2. A distributor shall notify the Department at least 30 days before changing the physical location where non-tax-paid tobacco products are manufactured, received, or stored. A distributor shall notify the Department of all other changes previously provided on Form B-A-2 within 30 days of the change.
- (c) A distributor obtaining a new license or renewing an expired license shall remit the tax required by G.S. 105-113.12 with Form B-A-2.
- (d) A distributor obtaining a new license shall include a bond or an irrevocable letter of credit pursuant to G.S. 105-113.13 with Form B-A-2.
- (e) A distributor shall notify the manufacturers from whom cigarettes are purchased or received when the Department issues it a distributor's license or when there are changes to its distributor's license.
- (f) A distributor shall submit Form B-A-2 for each place of business as defined by G.S. 105-113.12.

*History Note:* Authority G.S. 105-113.11; 105-113.12; 105-262;  
Eff. February 1, 1976;  
Amended Eff. January 1, 1994; October 30, 1981;  
Readopted Eff. January 1, 2021.

### **17 NCAC 04C .0202 OUT-OF-STATE DISTRIBUTOR 17 NCAC 04C .0203 LICENSE NOT PRORATED**

*History Note:* Authority G.S. 105-113.13; 105-113.24; 105-113.37;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

### **17 NCAC 04C .0204 EXHIBIT OF LICENSE**

*History Note:* Authority G.S. 105-113.17; 105-262;  
Eff. February 1, 1976;  
Expired Eff. January 1, 2019 pursuant to G.S. 150B-21.3A.

**17 NCAC 04C .0205      DISTRIBUTOR TO NOTIFY MANUFACTURER**

It shall be the responsibility of each cigarette distributor to notify the cigarette manufacturers from whom non-tax-paid cigarettes are purchased or received of the cigarette distributor's license issued by the Secretary and of any subsequent changes to the license.

*History Note:*      Authority G.S. 105-113.12; 105-113.13; 105-262;  
Eff. October 30, 1981;  
Amended Eff. January 1, 1994;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

**SECTION .0300 - PURCHASE AND SALE OF DECAL STAMPS**

- 17 NCAC 04C .0301      DECAL STAMPS**
- 17 NCAC 04C .0302      CREDIT SALES OF STAMPS**

*History Note:*      Authority G.S. 105-113.19; 105-262;  
Eff. February 1, 1976;  
Amended Eff. April 1, 1986; July 1, 1984; October 30, 1981;  
Repealed Eff. January 1, 1994.

**SECTION .0400 - PURCHASE AND SALE OF METER IMPRINT STAMPS**

- 17 NCAC 04C .0401      AUTHORIZATION**
- 17 NCAC 04C .0402      SETTING**
- 17 NCAC 04C .0403      CREDIT SALES**
- 17 NCAC 04C .0404      INSPECTION**

*History Note:*      Authority G.S. 105-113.19; 105-113.23; 105-262;  
Eff. February 1, 1976;  
Amended Eff. October 30, 1981;  
Repealed Eff. January 1, 1994.

- 17 NCAC 04C .0405      METER MACHINE MAINTENANCE**

*History Note:*      Authority G.S. 105-113.23; 105-262;  
Eff. June 11, 1977;  
Repealed Eff. January 1, 1994.

**SECTION .0500 - AFFIXATION OF STAMPS AND IMPRINTS**

- 17 NCAC 04C .0501      MANNER OF AFFIXING**
- 17 NCAC 04C .0502      UNSTAMPED CIGARETTES**
- 17 NCAC 04C .0503      RESPONSIBILITY OF PURCHASER**

*History Note:*      Authority G.S. 105-113.9; 105-113.20; 105-113.22; 105-113.27; 105-262;  
Eff. February 1, 1976;  
Amended Eff. October 30, 1981; June 11, 1977;  
Repealed Eff. January 1, 1994.

- 17 NCAC 04C .0504      INTERSTATE CIGARETTE SALES; LICENSURE**

(a) A nonresident purchaser is not required to obtain a license under G.S. 105-113.12 if it accepts delivery of non-tax-paid cigarettes in this State and all the following apply:

- (1) The nonresident purchaser receives non-tax-paid cigarettes from a licensed distributor at the licensed distributor's business location in this State.
- (2) The nonresident purchaser is purchasing cigarettes for the purpose of resale outside of North Carolina.
- (3) The licensed distributor affixes to the cigarettes taxpaid cigarette indicia of the state of the nonresident dealer where required by the state of the nonresident dealer.

(b) A distributor who sells cigarettes outside this State or delivers cigarettes to a nonresident purchaser in this State for resale outside of this State shall affix to cigarettes taxpaid cigarette indicia of the state of the nonresident purchaser where required by the state of the nonresident purchaser.

(c) A distributor shall report sales to nonresident purchasers on Form B-A-5 as required in Rule .0901 of this Subchapter.

*History Note:* Authority G.S. 105-113.9; 105-262;  
Eff. September 20, 1977;  
Amended Eff. April 1, 2008; January 1, 1994; October 30, 1981;  
Readopted Eff. January 1, 2021.

#### **17 NCAC 04C .0505 LIMITED TIME TO AFFIX TAXPAID INDICIA (STAMPS AND IMPRINTS)**

*History Note:* Authority G.S. 105-113.20; 105-262;  
Eff. October 1, 1991;  
Repealed Eff. January 1, 1994.

### **SECTION .0600 - CIGARETTE MANUFACTURER**

#### **17 NCAC 04C .0601 SALES TO LICENSED DISTRIBUTORS**

*History Note:* Authority G.S. 105-113.10; 105-113.37;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

#### **17 NCAC 04C .0602 INVOICE REQUIREMENT**

*History Note:* Authority G.S. 105-113.10; 105-262;  
Eff. February 1, 1976;  
Amended Eff. October 30, 1981; June 11, 1977;  
Repealed Eff. January 1, 2021.

#### **17 NCAC 04C .0603 TAX ON COMPLIMENTARY PACKS**

*History Note:* Authority G.S. 105-113.5; 105-113.10; 105-262;  
Eff. February 1, 1976;  
Amended Eff. January 1, 1994;  
Repealed Eff. July 1, 2000.

#### **17 NCAC 04C .0604 MANUFACTURER ACTING AS DISTRIBUTOR**

*History Note:* Authority G.S. 105-113.10; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. January 1, 1994.

### **SECTION .0700 - RECEIPT OF UNSTAMPED CIGARETTES**

#### **17 NCAC 04C .0701 DISTRIBUTOR RESPONSIBLE FOR TAX**

*History Note:* Authority G.S. 105-113.10; 105-113.5; 105-262;  
Eff. February 1, 1976;

*Amended Eff. January 1, 1994;*  
*Repealed Eff. August 1, 2003.*

**17 NCAC 04C .0702 EXCISE TAX LIABILITY FOR CIGARETTE INVENTORY**

A distributor is liable for the tax upon any non-tax-paid cigarettes that are stolen or otherwise unaccounted for.

*History Note: Authority G.S. 105-113.5; 105-262;*  
*Eff. February 1, 1976;*  
*Amended Eff. January 1, 1994;*  
*Readopted Eff. January 1, 2021.*

**SECTION .0800 - EXEMPTIONS**

**17 NCAC 04C .0801 FEDERAL GOVERNMENT**

(a) Non-tax-paid cigarettes may be sold to the federal government and its instrumentalities, such as the Armed Forces Exchange Services, but sales by such services shall be limited to members of the armed forces and their dependents who hold identification cards entitling them to make purchases through armed forces exchange services.

(b) Whenever deliveries of non-tax-paid cigarettes are made by distributors to armed forces exchange services, the person making such delivery shall have in his actual possession invoices for such cigarettes which shall show date, invoice number, name and address of distributor, and the name and address of the purchaser and the quantity and brands of cigarettes being transported. If these conditions are not complied with, the non-tax-paid cigarettes shall be subject to confiscation, and the distributor taxed on such sales or deliveries made in an unauthorized manner. In the event of such deliveries of non-tax-paid cigarettes, the cigarettes shall be physically delivered by the distributor's conveyance or a duly authorized common carrier directly to the situs where the installation of the governmental agency is located. Upon such delivery the distributor shall require a duly receipted invoice or copy thereof from the governmental agent, designated to accept delivery. Distributor shall have a bona fide bill of lading, if delivery is made by common carrier.

(c) No sales of non-tax-paid cigarettes on military installations may be made through vending machines, other than those owned and operated by the federal government or instrumentalities thereof.

(d) If a person engages in the sale of cigarettes on a military reservation, regardless of the fact that he may have a contract with the federal government, whereby the federal government will receive a commission, flat fee or some other type of compensation on such sales, same does not exempt the sale of such cigarettes from the cigarette excise tax. In such instance, such sales would not be made by the federal government or an instrumentality of the federal government. Instead, on all such sales, the cigarette tax is due.

*History Note: Authority G.S. 105-113.8; 105-262;*  
*Eff. February 1, 1976;*  
*Amended Eff. January 1, 1994; October 30, 1981;*  
*Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.*

**17 NCAC 04C .0802 FREE DISTRIBUTION BY MANUFACTURER**

*History Note: Authority G.S. 105-113.5; 105-262;*  
*Eff. February 1, 1976;*  
*Amended Eff. January 1, 1994; October 30, 1981;*  
*Repealed Eff. January 1, 2005.*

**SECTION .0900 - REPORTS AND RECORDS REQUIRED OF DISTRIBUTORS**

**17 NCAC 04C .0901 MONTHLY REPORT FOR RESIDENT DISTRIBUTORS**

(a) Resident distributors filing a report pursuant to G.S. 105-113.18(1) shall file Form B-A-5 and Form B-A-7.

(b) Form B-A-5 requires the following:

- (1) the reporting period for the report;
- (2) information required by 17 NCAC 01C .0322(b);
- (3) the distributor's legal name and mailing address;

- (4) the trade name or doing-business-as name, if applicable;
- (5) if the distributor elects to designate a contact person, the identity of a contact person, including his or her legal name, phone number, and fax number;
- (6) the distributor's state of domicile;
- (7) designation of whether the form is an amended form;
- (8) an inventory of non-tax-paid cigarettes during the reporting period, designated by packs, including:
  - (A) the beginning inventory of non-tax-paid cigarettes possessed by the distributor on the first day of the reporting period;
  - (B) the number of non-tax-paid cigarettes sold to the distributor from a manufacturer, and the following information regarding these transactions to be included on Schedule C of the form:
    - (i) the invoice date;
    - (ii) the invoice number;
    - (iii) the name and address of the person who sold the distributor cigarettes; and
    - (iv) the amount of cigarettes sold to the distributor;
  - (C) the number of non-tax-paid cigarettes sold to the federal government, and the following information regarding these transactions to be included on Schedule B of the form:
    - (i) the date cigarettes were sold;
    - (ii) the name and address of the agency or instrumentality to whom cigarettes were sold; and
    - (iii) the amount of cigarettes sold;
  - (D) the number of non-tax-paid cigarettes sold outside North Carolina, and the following information regarding these transactions to be included on Schedule I:
    - (i) the date the cigarettes were shipped;
    - (ii) the shipping method (such as distributor truck, common or contract carrier, parcel post, or customer truck);
    - (iii) the name and address of the person to whom cigarettes were sold;
    - (iv) the identification of cigarette brands from a nonparticipating manufacturer; and
    - (v) the amount of cigarettes sold outside North Carolina;
  - (E) the number of non-tax-paid cigarettes returned to a manufacturer;
  - (F) other increases or decreases in non-tax paid inventory, with explanations provided with the form; and
  - (G) the ending physical inventory of non-tax-paid cigarettes possessed by the distributor on the last day of the reporting period;
- (9) an inventory of tax-paid cigarettes during the reporting period, designated by packs, and the following information to be included on Schedule D:
  - (A) the beginning inventory of tax-paid cigarettes possessed by the distributor on the first day of the reporting period;
  - (B) tax-paid cigarettes purchased or received from other sources, and the following information regarding these transactions to be included on Schedule E:
    - (i) the invoice date;
    - (ii) the invoice number;
    - (iii) the name and address of the person who sold the distributor cigarettes;
    - (iv) the amount of cigarettes sold; and
    - (v) copies of all invoices containing the information listed in Rule .0903(c) of this Subchapter;
  - (C) non-tax-paid purchases that are paid with the submission of the form;
  - (D) other increases or decreases in tax paid inventory, with explanations provided with the form;
  - (E) the number of tax-paid cigarettes sold in North Carolina;
  - (F) the number of tax-paid cigarettes returned to the manufacturer; and
  - (G) the ending physical inventory of tax-paid cigarettes possessed by the distributor on the last day of the reporting period;
- (10) the excise tax due on non-tax-paid cigarettes;
- (11) the discount under G.S. 105-113.21(a1), if applicable;
- (12) penalty and interest due on non-tax paid cigarettes, if any, in accordance with G.S. 105-236 and G.S. 105-241.21;
- (13) total payment due; and



- (14) for the person authorized to legally bind the distributor, his or her:
  - (A) signature;
  - (B) job title;
  - (C) date of signature; and
  - (D) affirmation that the form is accurate and complete.
- (c) The distributor shall include a separate Schedule I for each state to which the distributor shipped cigarettes during the reporting period.
- (d) When cigarettes are returned to a manufacturer, the distributor shall include the following information on Schedule J:
  - (1) the date the cigarettes were shipped;
  - (2) the shipping method (such as distributor truck, common or contract carrier, parcel post, or customer truck);
  - (3) the name and address of the manufacturer;
  - (4) the identification of cigarette brands from nonparticipating manufacturers;
  - (5) designating whether the cigarettes returned were non-tax paid cigarettes or tax-paid cigarettes; and
  - (6) the total non-tax paid cigarettes and total tax-paid cigarettes returned to the manufacturer.
- (e) Form B-A-5 shall be filed each month even if no cigarettes were sold, shipped, delivered, or otherwise disposed of during the reporting period.
- (f) The Department may disallow any deduction for the distributor's failure to include information on a designated schedule.
- (g) Form B-A-7 requires the following:
  - (1) the reporting period for the report;
  - (2) information required by 17 NCAC 01C .0322(b);
  - (3) the legal name and mailing address of the person filing the form;
  - (4) the trade name or doing-business-as name, if applicable;
  - (5) if the person filing the form elects to designate a contact person, the identity of a contact person, including his or her legal name, phone number, and fax number;
  - (6) designation of whether the form is an amended form;
  - (7) for all tax-paid products from nonparticipating manufacturers, the person filing the form shall include:
    - (A) the brand name;
    - (B) the number of tax-paid cigarettes, designated by packs;
    - (C) the number of ounces of roll-your-own cigarette tobacco;
    - (D) the name and address of the nonparticipating manufacturer;
    - (E) the name and address of the person from whom the brand was purchased; and
    - (F) the name and address of the first importer of foreign manufactured brands; and
  - (8) for the person authorized to legally bind the person required to file the form, his or her:
    - (A) signature;
    - (B) job title;
    - (C) date of signature; and
    - (D) affirmation that the form is accurate and complete.
- (h) Form B-A-7 shall be filed each month even if no tobacco products from nonparticipating manufacturers were sold, shipped, delivered, or otherwise disposed of in this State for the reporting period.
- (i) Form B-A-7 shall be filed in duplicate.

*History Note: Authority G.S. 105-113.4G; 105-113.18; 105-262; Eff. February 1, 1976; Amended Eff. January 1, 1994; Readopted Eff. January 1, 2021.*

#### **17 NCAC 04C .0902 MONTHLY REPORT FOR NONRESIDENT DISTRIBUTORS**

- (a) Nonresident distributors filing a report pursuant to G.S. 105-113.18 shall file Form B-A-6 and Form B-A-7. The requirements of Form B-A-7 are provided in 17 NCAC 04C .0901(g) through (i).
- (b) Form B-A-6 requires the following:
  - (1) the reporting period for the report;
  - (2) information required by 17 NCAC 01C .0322(b);
  - (3) the distributor's legal name and mailing address;
  - (4) the trade name or doing-business-as name, if applicable;

- (5) if the resident distributor elects to designate a contact person, the identity of a contact person, including his or her legal name, phone number, and fax number;
- (6) the distributor's state of domicile;
- (7) designation of whether the form is an amended form;
- (8) the number of cigarettes sold, designated by packs, in North Carolina where excise tax is due;
- (9) the excise tax due on non-tax-paid cigarettes;
- (10) the discount under G.S. 105-113.21(a1), if applicable;
- (11) penalty and interest due on non-tax paid cigarettes, if any, in accordance with G.S. 105-236 and G.S. 105-241.21;
- (12) total payment due;
- (13) for the person authorized to legally bind the distributor, his or her:
  - (A) signature;
  - (B) job title;
  - (C) date of signature; and
  - (D) affirmation that the form is accurate and complete; and
- (14) an inventory of tax-paid cigarettes during the reporting period, designated by packs, including the following information on Schedule B of the Form:
  - (A) the beginning inventory of tax-paid cigarettes possessed by the distributor on the first day of the reporting period;
  - (B) the number of tax-paid cigarettes purchased or received from other sources, including the following information regarding these transactions to be included on Schedule C of the form:
    - (i) the invoice date;
    - (ii) the invoice number;
    - (iii) name and address from where the cigarettes were purchased or received;
    - (iv) the amount of cigarettes purchased or received; and
    - (v) copies of all invoices containing the information listed in Rule .0903(c) of this Subchapter;
  - (C) the number of tax-paid cigarettes sold in this State;
  - (D) the number of cigarettes returned to a manufacturer, including information regarding these transactions to be included on Schedule J as required by Rule .0901(d) of this Section;
  - (E) other increases or decreases in inventory, with explanations provided with the form;
  - (F) the ending inventory of tax-paid cigarettes possessed by the distributor on the last day of the reporting period; and
  - (G) the number of non-tax-paid cigarettes, designated by packs, sold to the federal government, including the following information regarding these transactions to be included on Schedule D of the form:
    - (i) the date the cigarettes were sold;
    - (ii) the name and address of the agency or instrumentality to whom cigarettes were sold; and
    - (iii) the amount of cigarettes sold.

(c) Form B-A-6 shall be filed each month even if no cigarettes were sold, shipped, delivered, or otherwise disposed of in North Carolina for the reporting period.

*History Note:* Authority G.S. 105-113.18; 105-262;  
Eff. February 1, 1976;  
Readopted Eff. January 1, 2021.

### **17 NCAC 04C .0903 INVOICING REQUIREMENTS FOR DISTRIBUTORS**

(a) Except for sales to consumers, where other record keeping requirements apply, a distributor shall maintain an invoice for every cigarette it sells, ships, or delivers in this State or outside of this State. A distributor shall also maintain an invoice when it transfers cigarettes to other places of business maintained by the distributor.

(b) A distributor shall forward to the Department copies of invoices of cigarette sales or transfers required by Paragraph (a) of this Rule, or equivalent information, monthly.

(c) Invoices shall include the following information:

- (1) the invoice date;
- (2) the invoice number;

- (3) the date of purchase, if applicable;
- (4) the name and address of the purchaser and seller, if applicable;
- (5) the name and address of the person from whom tobacco products were shipped;
- (6) the name and address of the person to whom tobacco products were shipped;
- (7) the mode of transportation;
- (8) the brand and the quantity of tobacco products;
- (9) the price charged for the tobacco products, if applicable; and
- (10) when the excise tax has been paid, the following phrase shall appear on the invoice: "North Carolina Tobacco Products Tax Paid."

(d) Invoices addressed in Paragraph (a) of this Rule shall be maintained for three years by all persons party to cigarette sales who are required to be licensed under Article 2A. All persons party to the sale must be issued identical invoices, and the invoices shall not be altered after issuance. If the invoice requires modification, a separate document must accompany the invoice describing the change to the invoice. This document must include the date it was prepared and must be delivered to and maintained by any other party to the sale.

(e) Notwithstanding Paragraph (a) of this Rule, a distributor shall comply with the invoice requirements for delivery sales in accordance with G.S. 105-113.4F.

*History Note:* Authority G.S. 105-113.4G; 105 113.10; 105-262;  
Eff. February 1, 1976;  
Amended Eff. January 1, 1994;  
Readopted Eff. January 1, 2021.

#### **17 NCAC 04C .0904 RECORD REQUIREMENTS FOR DISTRIBUTORS**

Distributors maintaining records pursuant to G.S. 105-113.4G shall segregate records of cigarette sales that are exempt from the excise tax.

*History Note:* Authority G.S. 105-113.4G; 105-262;  
Eff. January 1, 2021.

### **SECTION .1000 - REFUND**

#### **17 NCAC 04C .1001 RETURN UNUSED STAMPS: NO TRANSFER**

*History Note:* Authority G.S. 105-113.20; 105-113.25; 105-113.37;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

#### **17 NCAC 04C .1002 REFUNDS ONLY TO LICENSED DISTRIBUTORS**

(a) A distributor filing a refund claim pursuant to G.S. 105-113.21(b) shall file Form B-A-18.

(b) Form B-A-18 requires the following:

- (1) the reporting period for the refund claim;
- (2) information required by 17 NCAC 01C .0322(b);
- (3) the distributor's legal name and mailing address;
- (4) the trade name or doing-business-as name, if applicable;
- (5) if the distributor elects to designate a contact person, the identity of a contact person, including his or her legal name, phone number, and fax number;
- (6) the distributor's state of domicile;
- (7) designation of whether the form is an amended form;
- (8) the number of tax-paid cigarettes, designated by packs, returned to the manufacturer;
- (9) any discount previously allowed under G.S. 105-113.21(a1);
- (10) the refund due;
- (11) for the person authorized to legally bind the person required to file the form, his or her:
  - (A) signature;
  - (B) job title;
  - (C) date of signature; and

- (D) affirmation that the form is accurate and complete; and
- (12) an affidavit from the manufacturer stating the number of cigarettes returned to the manufacturer by the distributor requesting the refund.
- (c) Only the licensed distributor who originally paid excise tax pursuant to G.S. 105-113.5 is eligible for the refund.

*History Note:* Authority G.S. 105-113.21; 105-262;  
Eff. February 1, 1976;  
Amended Eff. January 1, 1994;  
Readopted Eff. January 1, 2021.

**17 NCAC 04C .1003 MUTILATED BUT IDENTIFIABLE STAMPS**  
**17 NCAC 04C .1004 OUT-OF-STATE SHIPMENTS: NO REFUND**

*History Note:* Authority G.S. 105-113.25; 105-262;  
Eff. February 1, 1976;  
Amended Eff. June 11, 1977;  
Repealed Eff. January 1, 1994.

**SECTION 1100 – RAILROADS AND OCEAN-GOING VESSELS**

**17 NCAC 04C .1101 DEALERS ON TRAINS**

*History Note:* Authority G.S. 105-113.6; 105-262;  
Eff. February 1, 1976;  
Amended Eff. July 1, 2000; January 1, 1994;  
Expired Eff. January 1, 2019 pursuant to G.S. 150B-21.3A.

**17 NCAC 04C .1102 OCEAN-GOING VESSELS**

Non-tax-paid cigarettes may be sold for use or consumption by or on ocean-going vessels which leave the continental United States and which ply the high seas in interstate or foreign commerce in the transport of freight or passengers for hire exclusively when delivered to an officer or agent of such vessel for use by or on such vessel accordingly. Receipt for delivery of such non-tax-paid cigarettes shall be signed for by an authorized officer or agent of such vessel, and such signed receipts shall be retained by the distributor for a period of three years; also, a copy of same shall be appended to the appropriate monthly tax report of the distributor. Only North Carolina tax-paid cigarettes may be sold by such vessels while in port or within the territorial limits of this state.

*History Note:* Authority G.S. 105-113.6; 105-262;  
Eff. February 1, 1976;  
Amended Eff. January 1, 1994;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

**SECTION .1200 - CIGARETTE VENDING MACHINES**

**17 NCAC 04C .1201 IDENTIFICATION REQUIREMENT FOR EACH MACHINE**

- (a) Distributors, wholesalers or retail dealers owning, leasing, furnishing or operating cigarette vending machines shall affix to each such machine in a conspicuous place an identification sticker or device, which shall show the name, address and telephone number of the operator owning and placing such machine on location. The owner of the business wherein such machine is located shall also be responsible for seeing that such vending machine is so identified.
- (b) No cigarette dispensing machine shall be allowed to operate in this state that does not have affixed thereto the identification required under G.S. 105-113.17.

*History Note:* Authority G.S. 105-113.17; 105-262;  
Eff. February 1, 1976;

*Amended Eff. January 1, 1994;*  
*Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.*

**17 NCAC 04C .1202 VENDING MACHINE OPERATORS**

*History Note: Authority G.S. 105-65.1; 105-113.18; 105-262;*  
*Eff. February 1, 1976;*  
*Amended Eff. July 1, 1984;*  
*Expired Eff. January 1, 2019 pursuant to G.S. 150B-21.3A.*

**17 NCAC 04C .1203 DISTRIBUTORS WITH VENDING MACHINES**

*History Note: Authority G.S. 105-113.18; 105-250.1; 105-113.37;*  
*Eff. February 1, 1976;*  
*Repealed Eff. July 1, 1984.*

**17 NCAC 04C .1204 DISPLAY STAMPED CIGARETTES IN MACHINES**

*History Note: Authority G.S. 105-113.22; 105-113.28; 105-262;*  
*Eff. February 1, 1976;*  
*Repealed Eff. January 1, 1994.*

**SECTION .1300 - OTHER TOBACCO PRODUCTS LICENSES**

**17 NCAC 04C .1301 APPLICATION OR RENEWAL REQUIREMENTS FOR WHOLESALE DEALER'S OR RETAIL DEALER'S LICENSE; DUTY TO UPDATE**

- (a) A wholesale dealer or retail dealer obtaining, renewing, or updating a license pursuant to G.S. 105-113.36 shall use Form B-A-2 as set forth in Rule .0104 of this Subchapter.
- (b) A wholesale dealer or retail dealer shall notify the Department of any changes to the information previously provided on the Form B-A-2 by submitting a revised Form B-A-2. A wholesale dealer or retail dealer shall notify the Department at least 30 days before changing the physical location where non-tax-paid tobacco products are manufactured, received, or stored. A wholesale dealer or retail dealer shall notify the Department of all other changes previously provided on Form B-A-2 within 30 days of the change.
- (c) A wholesale dealer or retail dealer obtaining a new license or renewing an expired license shall remit the tax required by G.S. 105-113.36 with Form B-A-2.
- (d) A wholesale dealer or retail dealer obtaining a new license shall include a bond or an irrevocable letter of credit pursuant to G.S. 105-113.38.
- (e) A wholesale dealer or retail dealer shall notify the manufacturers from whom other tobacco products are purchased or received when the Department issues it a wholesale dealer's license or retail dealer's license or when there are changes to its license.
- (f) A wholesale dealer or retail dealer shall submit Form B-A-2 for each place of business as defined by G.S. 105-113.36.
- (g) A wholesale dealer who is also a retail dealer is only subject to the license tax under G.S. 105-113.36(a)(1) and is not required to remit the license tax for its retail dealer activity.

*History Note: Authority 105-113.36; 105-262;*  
*Eff. June 1, 1992;*  
*Amended Eff. January 1, 1994;*  
*Readopted Eff. January 1, 2021.*

**SECTION .1400 - MANUFACTURERS OF OTHER TOBACCO PRODUCTS**

**17 NCAC 04C .1401 INVOICE REQUIREMENT**

**17 NCAC 04C .1402 SALES TO LICENSED DEALERS ONLY**

**17 NCAC 04C .1403 MANUFACTURERS ACTING AS RETAILER**

*History Note:* Authority G.S. 105-113.35; 105-113.37; 105-262;  
Eff. June 1, 1992;  
Amended Eff. January 1, 1994;  
Repealed Eff. January 1, 2021.

**SECTION .1500 - LIABILITY FOR OTHER TOBACCO PRODUCTS EXCISE TAX**

**17 NCAC 04C .1501 PRIMARY LIABILITY**

*History Note:* Authority G.S. 105-113.35; 105-262;  
Eff. June 1, 1992;  
Amended Eff. January 1, 1994;  
Expired Eff. January 1, 2019 pursuant to G.S. 150B-21.3A.

**SECTION .1600 - MILITARY EXEMPT SALES**

**17 NCAC 04C .1601 EXEMPT SALES LIMITED TO ARMED FORCES AND THEIR DEPENDENTS**

Other tobacco products sold to the Federal Government and its instrumentalities, such as the Armed Forces Exchange Services, are exempt from the excise tax. However, sales of other tobacco products by such services **MUST BE LIMITED** to members of the armed forces and their dependents who hold identification cards entitling them to make purchases through armed forces exchange services.

*History Note:* Authority G.S. 105-113.35; 105-262;  
Eff. June 1, 1992;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

**17 NCAC 04C .1602 DELIVERIES TO ARMED FORCES EXCHANGE SERVICES**

Whenever tax exempt deliveries of other tobacco products are made by dealers to armed forces exchange services, the dealer must require a duly receipted invoice or copy thereof from the governmental agent designated to accept delivery.

*History Note:* Authority G.S. 105-113.35; 105-262;  
Eff. June 1, 1992;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

**17 NCAC 04C .1603 SALES OF OTHER TOBACCO PRODUCTS: BY OTHERS: NOT EXEMPT**

If a person engages in the sale of any other tobacco products on a military reservation, regardless of the fact that he may have a contract with the Federal Government, whereby the Federal Government will receive a commission, flat fee or some other type of compensation on such sales, same does not exempt the sale of such products from the excise tax. In such instances, such sales would not be made by the Federal Government or an instrumentality thereof. Instead, all such sales are subject to the excise tax.

*History Note:* Authority G.S. 105-113.35; 105-262;  
Eff. June 1, 1992;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

**SECTION .1700 - DESIGNATION OF EXEMPT SALES**

**17 NCAC 04C .1701 MUST SELL AS DESIGNATED**

Once other tobacco products are designated as tax exempt under G.S. 105-113.35, they must be sold in tax exempt transactions.

*History Note:* Authority G.S. 105-113.37; 105-262;  
Eff. June 1, 1992;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

#### **17 NCAC 04C .1702 NO DELAYED OR DEFERRED TAX PAYMENT ALLOWED**

No wholesale dealer or retail dealer or customer of a wholesaler may delay payment of the tax due on other tobacco products by failing to pay tax on a sale that is not a designated sale or by overstating the quantity of other tobacco products that will be resold in an exempt transaction.

*History Note:* Authority G.S. 105-113.37; 105-262;  
Eff. June 1, 1992;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

#### **17 NCAC 04C .1703 PRIOR WRITTEN NOTIFICATION REQUIRED FROM NC CUSTOMERS**

A wholesale dealer may sell other tobacco products nontaxpaid to a customer who has tax exempt sales provided the customer has notified the wholesale dealer in writing that the customer intends to resell the items in exempt transactions. Where prior written notification is not provided, the wholesale dealer must remit applicable tax.

*History Note:* Authority G.S. 105-113.37; 105-262;  
Eff. June 1, 1992;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

#### **17 NCAC 04C .1704 INVOICING REQUIREMENTS**

The wholesale dealer must separately invoice and indicate the other tobacco products designated for exempt transactions. For example, sales designated for customers with other tobacco product sales outside North Carolina must be invoiced to read, "Designated for Sale Outside North Carolina".

*History Note:* Authority G.S. 105-113.37; 105-262;  
Eff. June 1, 1992;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

#### **17 NCAC 04C .1705 REPORTING REQUIREMENTS**

The wholesale dealer selling the designated other tobacco products must file a monthly report using Form B-A-101 within 20 days after the end of the month covered by the report.

*History Note:* Authority G.S. 105-113.37; 105-262;  
Eff. June 1, 1992;  
Amended Eff. January 1, 1994;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.

#### **17 NCAC 04C .1706 ORIGINAL SELLER NOT LIABLE FOR TAX**

The wholesale dealer, who relies on the prior written exempt intent of its customer, is not required to pay tax on the designated sales when filing a monthly report. However, the wholesaler must pay the tax due on all other taxable sales.

*History Note:* Authority G.S. 105-113.37; 105-262;  
Eff. June 1, 1992;

*Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.*

#### **17 NCAC 04C .1707 PENALTIES FOR IMPROPER HANDLING OF DESIGNATED PRODUCT**

The tax liability plus penalties and interest will be held against the wholesaler's customer who sells other tobacco products designated exempt in a taxable transaction. Customers violating designation procedures are not entitled to the timely payment discount.

*History Note: Authority G.S. 105-113.37; 105-262;  
Eff. June 1, 1992;  
Amended Eff. January 1, 1994;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. December 22, 2018.*

### **SECTION .1800 – REPORTS AND RECORDS REQUIRED OF WHOLESALE DEALERS AND RETAIL DEALERS**

#### **17 NCAC 04C .1801 MONTHLY REPORT FOR WHOLESALE DEALERS AND RETAIL DEALERS**

(a) Wholesale dealers and retail dealers filing a report pursuant to G.S. 105-113.37 for other tobacco products, except vapor products, shall file Form B-A-101 and Form B-A-7. The requirements of B-A-7 are provided in 17 NCAC 04C .0901(g) through (i).

(b) Form B-A-101 requires the following:

- (1) the reporting period for the report;
- (2) information required by 17 NCAC 01C .0322(b);
- (3) the wholesale dealer or retail dealer's legal name and mailing address;
- (4) the trade name or doing-business-as name, if applicable;
- (5) if the wholesale dealer or retail dealer elects to designate a contact person, the identity of a contact person, including his or her legal name, phone number, and fax number;
- (6) the wholesale dealer's or retail dealer's state of domicile;
- (7) designation of whether the form is an amended form;
- (8) the cost price of other tobacco products, except vapor products, subject to the excise tax under G.S. 105-113.35(a), sold or purchased during the reporting period, with a copy of an invoice or equivalent information for each sale or purchase;
- (9) the cost price of other tobacco products, except vapor products, sold or purchased during the reporting period that were sold outside the State, with a copy of an invoice or equivalent information for each sale or purchase;
- (10) the cost price of other tobacco products, except vapor products, sold or purchased during the reporting period that were sold to the federal government, with a copy of an invoice or equivalent information for each sale or purchase;
- (11) the cost price of other tobacco products, except vapor products, sold or purchased during the reporting period that were exempt or subject to an excise tax reduction under G.S. 105-113.4E;
- (12) any discount allowed under G.S. 105-113.39;
- (13) the total excise tax due;
- (14) penalty and interest due on tobacco products, if any, in accordance with G.S. 105-236 and G.S. 105-241.21;
- (15) total payment due; and
- (16) for the person authorized to legally bind the person required to file the form, his or her:
  - (A) signature;
  - (B) job title;
  - (C) date of signature; and
  - (D) affirmation that the form is accurate and complete.

(c) Wholesale dealers and retail dealers filing a report pursuant to G.S. 105-113.37 for vapor products shall file Form B-A-102.

(d) Form B-A-102 requires the following:

- (1) the reporting period for the report;



- (2) information required by 17 NCAC 01C .0322(b);
- (3) the wholesale dealer or retail dealer's legal name and mailing address;
- (4) the trade name or doing-business-as name, if applicable;
- (5) if the wholesale dealer and retail dealer elects to designate a contact person, the identity of a contact person, including his or her legal name, phone number, and fax number;
- (6) the wholesale dealer's or retail dealer's state of domicile;
- (7) designation of whether the form is an amended form;
- (8) the number of milliliters of vapor products sold or purchased during the reporting period, with a copy of an invoice or equivalent information for each sale or purchase;
- (9) the number of milliliters of vapor products sold or purchased during the reporting period that were sold outside the State, with a copy of an invoice or equivalent information for each sale or purchase;
- (10) the number of milliliters of vapor products sold or purchased during the reporting period that were sold to the federal government with a copy of an invoice or equivalent information for each sale or purchase;
- (11) the number of milliliters of vapor products sold or purchased during the reporting period that were exempt or subject to an excise tax reduction under G.S. 105-113.4E;
- (12) the total vapor products tax due;
- (13) penalty and interest due on tobacco products, if any, in accordance with G.S. 105-236 and G.S. 105-241.21;
- (14) the total payment due; and
- (15) for the person authorized to legally bind the person required to file the form, his or her:
  - (A) signature;
  - (B) job title;
  - (C) date of signature; and
  - (D) affirmation that the form is accurate and complete.

(e) Invoices or equivalent information provided in accordance with Paragraphs (b) and (d) of this Rule shall contain the information required in Rule .0903(c) of this Subchapter.

(f) Wholesale dealers and retail dealers required to file Form B-A-101 shall file the form even if no other tobacco products, except vapor products, were sold, shipped, delivered, or otherwise disposed of during the reporting period. Wholesale dealers and retail dealers required to file Form B-A-102 shall file the form even if no vapor products were sold, shipped, delivered, or otherwise disposed of during the reporting period.

*History Note:* Authority G.S. 105-113.37; 105-262;  
 Eff. June 1, 1992;  
 Amended Eff. July 1, 2000;  
 Readopted Eff. January 1, 2021.

#### **17 NCAC 04C .1802 INVOICING REQUIREMENTS FOR WHOLESALE DEALERS AND RETAIL DEALERS**

(a) Except for sales to consumers, where other record keeping requirements apply, a wholesale dealer or retail dealer shall maintain an invoice for every other tobacco product that it sells, ships, or delivers in this State or outside this State. A wholesale dealer or retail dealer shall also maintain an invoice when it transfers other tobacco products to other places of business operated or caused to be operated by the wholesale dealer or retail dealer.

(b) A wholesale dealer or retail dealer shall forward to the Department copies of invoices of other tobacco product sales or transfers required by Paragraph (a) of this Rule, or equivalent information, monthly.

(c) Invoices shall contain the information required in Rule .0903(c) of this Subchapter.

(d) Invoices addressed in Paragraph (a) of this Rule shall be maintained for three years by all persons party to the sale of other tobacco products who are required to be licensed under Article 2A. All parties to the sale must be issued identical invoices, and the invoices shall not be altered after issuance. If the invoice requires modification, a separate document must accompany the invoice describing the change to the invoice. This document must include the date it was prepared and must be delivered to and maintained by any other party to the sale.

(e) Notwithstanding Paragraph (a) of this Rule, a wholesale dealer or retail dealer shall comply with the invoice requirements for delivery sales in accordance with G.S. 105-113.4F.

*History Note:* Authority G.S. 105-113.37; 105-262;  
 Eff. June 1, 1992;  
 Readopted Eff. January 1, 2021.

**17 NCAC 04C .1803 RECORDS REQUIREMENTS FOR WHOLESALE DEALERS AND RETAIL DEALERS**

Wholesale dealers and retail dealers maintaining records pursuant to G.S. 105-113.4G shall segregate records of other tobacco product sales that are exempt from the excise tax.

*History Note:* Authority G.S. 105-113.4G; 105-262;  
Eff. June 1, 1992;  
Readopted Eff. January 1, 2021.

**SECTION .1900 - OTHER TOBACCO PRODUCTS VENDING MACHINES**

**17 NCAC 04C .1901 IDENTIFICATION AND LOCATION REQUIRED**

*History Note:* Authority G.S. 105-65.1; 105-113.17; 105-262;  
Eff. June 1, 1992;  
Expired Eff. January 1, 2019 pursuant to G.S. 150B-21.3A.

**SUBCHAPTER 4D - SOFT DRINK TAX**

**SECTION .0100 - DEFINITIONS**

**17 NCAC 04D .0101 GENERAL DEFINITIONS**

**17 NCAC 04D .0102 PRODUCT DEFINITIONS**

*History Note:* Authority G.S. 105-113.44; 105-113.63;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**SECTION .0200 - LICENSES**

**17 NCAC 04D .0201 INSTATE DISTRIBUTORS**

**17 NCAC 04D .0202 OUT-OF-STATE DISTRIBUTORS**

**17 NCAC 04D .0203 RETAIL DEALERS**

*History Note:* Authority G.S. 105-113.50; 105-113.63;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**17 NCAC 04D .0204 GENERAL LICENSE PROVISIONS**

*History Note:* Authority G.S. 105-113.50; 105-262;  
Eff. February 1, 1976.  
Repealed Eff. July 1, 1999.

**SECTION .0300 - TAX RATES**

**17 NCAC 04D .0301 GENERAL LIABILITY**

**17 NCAC 04D .0302 BOTTLED (CLOSED CONTAINER) SOFT DRINK RATE**

*History Note:* Authority G.S. 105-113.45; 105-113.63;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**17 NCAC 04D .0303 LIQUID BASE RATE ILLUSTRATED**

*History Note:* Authority G.S. 105-113.45; 105-262;  
Eff. February 1, 1976;  
Amended Eff. August 1, 1998; October 1, 1991; October 30, 1981;  
Repealed Eff. July 1, 1999.

**17 NCAC 04D .0304 POWDER RATE**

*History Note:* Authority G.S. 105-113.45; 105-113.63;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**17 NCAC 04D .0305 PRODUCTS NOT USED IN MANUFACTURING PROCESS**

*History Note:* Authority G.S. 105-113.45; 105-113.46; 105-113.57; 105-113.58; 105-262;  
Eff. February 1, 1976;  
Amended Eff. January 1, 1994; October 1, 1991;  
Repealed Eff. July 1, 1999.

**SECTION .0400 - TAXABLE STATUS OF VARIOUS PRODUCTS**

**17 NCAC 04D .0401 DOMESTIC USE VERSUS COMMERCIAL USE**

**17 NCAC 04D .0402 REPRESENTATIVE LIST**

*History Note:* Authority G.S. 105-113.44; 105-113.45; 105-113.46; 105-113.47; 105-262;  
Eff. February 1, 1976;  
Amended Eff. January 1, 1994; October 1, 1991; October 30, 1981;  
Repealed Eff. July 1, 1999.

**17 NCAC 04D .0403 REPRESENTATIVE LIST OF SYRUPS AND BASES**

**17 NCAC 04D .0404 REPRESENTATIVE LIST OF POWDER BASES**

*History Note:* Authority G.S. 105-113.44; 105-113.63;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**SECTION .0500 - EXEMPTIONS FROM SOFT DRINK EXCISE TAX CONDITIONAL**

**17 NCAC 04D .0501 FEDERAL GOVERNMENT**

*History Note:* Authority G.S. 105-113.46; 105-262;  
Eff. February 1, 1976;  
Amended Eff. October 1, 1991; October 30, 1981;  
Repealed Eff. July 1, 1999.

**17 NCAC 04D .0502 MILK**

**17 NCAC 04D .0503 FRUIT AND VEGETABLE JUICE**

**17 NCAC 04D .0504 COFFEE AND TEA**

*History Note:* Authority G.S. 105-113.46; 105-113.47; 105-113.49; 105-113.63;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.



*Repealed Eff. October 30, 1981.*

**17 NCAC 04D .0608 CONTROL OF TAX EXEMPT TRANSACTIONS**

*History Note: Authority G.S. 105-113.45; 105-113.48; 105-113.57; 105-113.63; 105-113.66;  
Eff. February 1, 1976;  
Amended Eff. October 30, 1981; June 11, 1977;  
Repealed Eff. October 1, 1991.*

**17 NCAC 04D .0609 PROVISION FOR REFUND**

*History Note: Authority G.S. 105-113.56;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.*

**17 NCAC 04D .0610 ONLY NORTH CAROLINA TAXPAID INDICIA ALLOWED**

*History Note: Authority G.S. 105-113.63; 105-262;  
Eff. July 1, 1984;  
Amended Eff. January 1, 1994; October 1, 1991;  
Repealed Eff. July 1, 1999.*

**SECTION .0700 - ALTERNATE METHOD OF PAYMENT ON BOTTLED (CLOSED CONTAINER)  
SOFT DRINKS**

**17 NCAC 04D .0701 APPLICABLE TO BOTTLED DRINKS**

**17 NCAC 04D .0702 LIABILITY REQUIREMENT**

*History Note: Authority G.S. 105-113.51; 1-5-113.56A; 105-113.63;  
Eff. February 1, 1976;  
Amended Eff. June 11, 1977;  
Repealed Eff. October 1, 1991.*

**17 NCAC 04D .0703 WHO QUALIFIES**

*History Note: Authority G.S. 105-113.51; 105-113.63;  
Eff. February 1, 1976;  
Amended Eff. June 11, 1977;  
Repealed Eff. October 30, 1981.*

**17 NCAC 04D .0704 COMMON CARRIER SHIPMENTS**

**17 NCAC 04D .0705 CONTINUOUS USE OF METHOD**

*History Note: Authority G.S. 105-113.51; 105-113.63; 105-113.56A;  
Eff. February 1, 1976;  
Repealed Eff. June 11, 1977.*

**17 NCAC 04D .0706 REDUCED RATE UNDER ALTERNATE METHOD**

**17 NCAC 04D .0707 METHOD REQUIRED ON INVOICE**

**17 NCAC 04D .0708 REPORTING SYSTEM PROVIDED DISTRIBUTORS**

*History Note: Authority G.S. 105-113.56A; 105-113.63;  
Eff. February 1, 1976;  
Amended Eff. October 30, 1981; June 11, 1977;  
Repealed Eff. October 1, 1991.*

**17 NCAC 04D .0709 CREDIT PROCEDURE FOR TAX EXEMPT SALES**

*History Note:* Authority G.S. 105-113.56A; 105-113.63;  
Eff. February 1, 1976;  
Repealed Eff. June 11, 1977.

**17 NCAC 04D .0710 NO RETAILER QUALIFIES**  
**17 NCAC 04D .0711 BOND REQUIREMENT**

*History Note:* Authority G.S. 105-113.56A; 105-113.63;  
Eff. February 1, 1976;  
Repealed Eff. October 1, 1991.

**SECTION .0800 - OPTIONAL METHOD FOR PAYMENT OF SOFT DRINK EXCISE TAX**

**17 NCAC 04D .0801 NOTIFICATION REQUIREMENT OF METHOD ELECTED**  
**17 NCAC 04D .0802 PROCEDURE FOR OPTIONAL METHODS**  
**17 NCAC 04D .0803 NO DISCOUNT ALLOWED**

*History Note:* Authority G.S. 105-113.56B; 105-113.63;  
Eff. February 1, 1976;  
Amended Eff. October 30, 1981;  
Repealed Eff. October 1, 1991.

**17 NCAC 04D .0804 TAXABLE TRANSACTIONS**

*History Note:* Authority G.S. 105-133.51; 105-113.63;  
Eff. February 1, 1976;  
Amended Eff. June 11, 1977;  
Repealed Eff. October 30, 1981.

**17 NCAC 04D .0805 CONTROL OF TAX EXEMPT TRANSACTIONS**  
**17 NCAC 04D .0806 CONTINUOUS USE OF METHOD**

*History Note:* Authority G.S. 105-113.45; 105-113.48; 105-113.56B; 105-113.57; 105-113.63; 105-113-.66;  
Eff. February 1, 1976;  
Amended Eff. June 11, 1977;  
Repealed Eff. October 1, 1991.

**17 NCAC 04D .0807 NO RETAILER QUALIFIES**

*History Note:* Authority G.S. 105-113.56B; 105-113.63;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**17 NCAC 04D .0808 BOND REQUIREMENT**

*History Note:* Authority G.S. 105-113.56B; 105-113.63;  
Eff. February 1, 1976;  
Amended Eff. October 30, 1981;  
Repealed Eff. October 1, 1991.

**SECTION .0900 - MONTHLY REPORT, INVOICE AND BOND REQUIREMENTS**

**17 NCAC 04D .0901      REPORT BY DISTRIBUTOR OR WHOLESALER**  
**17 NCAC 04D .0902      REPORT BY RETAILER**  
**17 NCAC 04D .0903      REPORT BY DEALER ON TRAINS**

*History Note:*    Authority G.S. 105-113.51; 105-113.52; 105-262;  
                         Eff. February 1, 1976;  
                         Amended Eff. August 1, 1998; March 1, 1995; October 1, 1991; October 30, 1981;  
                         Repealed Eff. July 1, 1999.

**17 NCAC 04D .0904      REPORT BY CROWN MANUFACTURERS**  
**17 NCAC 04D .0905      REPORT BY IMPRINT MANUFACTURERS**

*History Note:*    Authority G.S. 105-113.52; 105-113.54; 105-113.63;  
                         Eff. February 1, 1976;  
                         Repealed Eff. October 1, 1991.

**17 NCAC 04D .0906      FAILURE TO FILE TIMELY REPORTS**

*History Note:*    Authority G.S. 105-113.63; 105-236;  
                         Eff. February 1, 1976;  
                         Repealed Eff. October 30, 1981.

**17 NCAC 04D .0907      DISCOUNT FOR TIMELY FILING AND PAYMENT**  
**17 NCAC 04D .0908      INVOICING REQUIREMENTS**

*History Note:*    Authority G.S. 105-113.51; 105-113.52; 105-113.58; 105-262;  
                         Eff. October 1, 1991;  
                         Amended Eff. March 1, 1995; November 1, 1991;  
                         Repealed Eff. July 1, 1999.

**17 NCAC 04D .0909      BOND REQUIREMENTS**

*History Note:*    Authority G.S. 105-113.51; 105-113.53; 105-262;  
                         Eff. October 1, 1991;  
                         Repealed Eff. January 1, 1994.

#### **SECTION .1000 - LIABILITY FOR THE SOFT DRINK EXCISE TAX**

**17 NCAC 04D .1001      LIABILITY UNDER G.S. 105-113.51(A)**

*History Note:*    Authority G.S. 105-113.51; 105-262;  
                         Eff. October 1, 1991;  
                         Amended Eff. March 1, 1995; January 1, 1994;  
                         Repealed Eff. July 1, 1999.

**17 NCAC 04D .1002      SECONDARY LIABILITY**

*History Note:*    Authority G.S. 105-113.51; 105-262;  
                         Eff. October 1, 1991;  
                         Repealed Eff. January 1, 1994.

**17 NCAC 04D .1003      LIABILITY UNDER G.S. 105-113.51(B) - SOFT DRINK CERTIFICATE OF LIABILITY**

*History Note:*    Authority G.S. 105-113.51; 105-262;  
                         Eff. March 1, 1995;

*Repealed Eff. July 1, 1999.*

## **SUBCHAPTER 4E - ALCOHOLIC BEVERAGES TAX**

### **SECTION .0100 - LICENSES**

#### **17 NCAC 04E .0101 PERMIT REQUIRED TO OBTAIN LICENSE**

*History Note: Authority G.S. 105-113.69; 105-113.102;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.*

#### **17 NCAC 04E .0102 APPLICATION FOR LICENSE**

#### **17 NCAC 04E .0103 PENALTY**

*History Note: Authority G.S. 105-113.70 through 105-113.79; 105-113.89; 105-262;  
Eff. February 1, 1976;  
Amended Eff. January 1, 1994; April 1, 1986; October 30, 1981; March 14, 1980; June 11, 1977;  
Repealed Eff. July 1, 2000.*

#### **17 NCAC 04E .0104 LICENSE APPLICATION OF PARTNERSHIP**

*History Note: Authority G.S. 105-113.99; 105-113.102;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.*

#### **17 NCAC 04E .0105 SALESMAN FOR PROPRIETORSHIP OPERATION**

*History Note: Authority G.S. 105-113.74; 105-262;  
Eff. February 1, 1976;  
Amended Eff. July 1, 1984;  
Repealed Eff. July 1, 1990.*

#### **17 NCAC 04E .0106 LICENSE NOT TRANSFERABLE**

*History Note: Authority G.S. 105-113.99; 105-113.100; 105-113.102;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.*

### **SECTION .0200 – PAYMENT OF TAX**

#### **17 NCAC 04E .0201 FILING OF MONTHLY REPORTS**

#### **17 NCAC 04E .0202 EXAMINER'S REPORT**

#### **17 NCAC 04E .0203 SEPARATE REPORTS FOR WINES**

*History Note: Authority G.S. 105-113.76; 105-113.80 through 105-113.83; 105-113.84; 105-113.89; 105-262;  
Eff. February 1, 1976;  
Amended Eff. January 1, 1994; April 1, 1986; July 1, 1984; March 14, 1980; September 20, 1977;  
Repealed Eff. July 1, 2000.*

#### **17 NCAC 04E .0204 OUT-OF-STATE SHIPMENTS REPORTING**

(a) For all out-of-state shipments, resident wholesalers and importers shall maintain invoices, and if using a common carrier for shipment, bills of lading.



(b) If delivered by using wholesaler's or importer's own mode of transportation, the wholesale or importer shall maintain the name, signature, and address of the person receiving malt beverages or wine from the wholesaler or importer.

*History Note:* Authority G.S. 105-113.81; 105-113.88; 105-262;  
Eff. February 1, 1976;  
Readopted Eff. January 1, 2021.

**17 NCAC 04E .0205 MAJOR DISASTER REPORTING**

(a) To claim a major disaster exemption pursuant to G.S. 105 -113.81(a), wholesalers and importers of malt beverages or wine must submit Form B-C-750 to the Department. If the wholesaler or importer meets the requirements of G.S. 105-113.81(a) and is therefore qualified to take the exemption, the Department will return Form B-C-750 verifying that an exemption can be claimed. If verified by the Department, the wholesalers or importers shall include Form B-C-750 with the monthly report filed pursuant to G.S. 105-113.83.

(b) Form B-C-750 requires the following:

- (1) the reporting period for the report;
- (2) information required by 17 NCAC 01C .0322(b);
- (3) the wholesaler or importer's legal name and mailing address;
- (4) the trade name or doing-business-as name, if applicable;
- (5) if the wholesaler or importer elects to designate a contact person, the identity of a contact person, including his or her legal name, phone number, and fax number;
- (6) the type of product subject to the major disaster;
- (7) the brand name of the product subject to the major disaster;
- (8) the amount of malt beverages or wine subject to the major disaster; and
- (9) documentation to support that a major disaster occurred.

(c) Several small disasters cannot be accumulated and then classified as a major disaster. A major disaster shall be classified as only one event when the loss occurs, and not an accumulation of events. Any missing beverage inventory that cannot be classified as a major disaster shall be considered as malt beverage or wine sold and subject to the excise tax.

(d) Resident wholesalers or importers cannot claim an exemption or deduction for losses in their inventory unless the losses qualify for the exemption under G.S. 105-113.81(a).

*History Note:* Authority G.S. 105-113.81; 105-113.83; 105-262;  
Eff. February 1, 1976;  
Amended Eff. April 1, 1986; October 30, 1981;  
Readopted Eff. January 1, 2021.

**17 NCAC 04E .0206 WHOLESALER BUYING FROM WHOLESALER**

*History Note:* Authority G.S. 105-113.83; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. January 1, 2021.

**17 NCAC 04E .0207 NONRESIDENT BEER SHIPMENTS**

**17 NCAC 04E .0208 NONRESIDENT WINE SHIPMENTS**

*History Note:* Authority G.S. 105-113.86; 105-113.89; 105-113.102;  
Eff. February 1, 1976;  
Amended Eff. October 30, 1981;  
Repealed Eff. April 1, 1986.

**17 NCAC 04E .0209 BEER OR WINE TO EMPLOYEES AND GUESTS**

*History Note:* Authority G.S. 105-113.81; 105-262;  
Eff. February 1, 1976;  
Amended Eff. July 1, 1990; April 1, 1986; July 1, 1984;  
Repealed Eff. January 1, 1994.

**17 NCAC 04E .0210 IDENTICAL TAX UPON DOMESTIC AND NON-DOMESTIC WINES**

*History Note:* Authority G.S. 105-113.80; 105-262;  
Eff. February 1, 1985;  
Repealed Eff. January 1, 1994.

**SECTION .0300 - SPOILAGE: BREAKAGE AND DESTRUCTION**

**17 NCAC 04E .0301 SPOILAGE OR DESTRUCTION OF NONTAXPAID BEER OR WINE**  
**17 NCAC 04E .0302 SPOILAGE OF TAXPAID BEER OR WINE**

*History Note:* Authority G.S. 105-113.85; 105-262;  
Eff. February 1, 1976;  
Amended Eff. December 1, 2003; July 1, 2000; March 14, 1980; April 1, 1986; October 30, 1981;  
Repealed Eff. January 1, 2021.

**17 NCAC 04E .0303 DESTRUCTION OF MALT BEVERAGES OR WINE WHEN IN TRANSIT**

Non-tax-paid malt beverages and wine that are destroyed while in the possession of a common carrier who is transporting these alcoholic beverages from the brewery or winery to the resident wholesaler or resident importer shall not be considered part of the taxable inventory of the resident wholesaler or resident importer.

*History Note:* Authority G.S. 105-113.83; 105-262;  
Eff. February 1, 1976;  
Readopted Eff. January 1, 2021.

**17 NCAC 04E .0304 DESTRUCTION WHEN PROPERTY OF RESIDENT**

*History Note:* Authority G.S. 105-113.86; 105-113.102;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**SECTION .0400 - MILITARY BEER AND WINE**

**17 NCAC 04E .0401 INSIGNIA FOR MILITARY USE ONLY REQUIRED**

*History Note:* Authority G.S. 105-113.86; 105-113.102;  
Eff. February 1, 1976;  
Repealed Eff. October 30, 1981.

**17 NCAC 04E .0402 ACCOUNTING FOR BEER AND WINE SALES TO MILITARY**

*History Note:* Authority G.S. 105-113.81; 105-262;  
Eff. February 1, 1976;  
Amended Eff. April 1, 1986; January 1, 1982;  
Repealed Eff. January 1, 1994.

**17 NCAC 04E .0403 SEGREGATION OF MILITARY FROM CIVILIAN**

*History Note:* Authority G.S. 105-113.86; 105-113.102;  
Eff. February 1, 1976;  
Repealed Eff. January 1, 1982.

**SECTION .0500 - OCEAN-GOING BEER AND WINE**

**17 NCAC 04E .0501 EXEMPTION FROM TAX**

*History Note: Authority G.S. 105-113.81; 105-262;  
Eff. February 1, 1976;  
Repealed Eff. January 1, 1994.*

**17 NCAC 04E .0502 RECEIPTS FOR MALT BEVERAGES AND WINE DELIVERED TO OCEANGOING VESSELS**

Receipt for delivery of non-tax-paid malt beverages and wine to oceangoing vessels shall be signed for by an authorized officer or agent of the vessel. The signed receipts must be retained by the wholesaler or importer for a period of three years.

*History Note: Authority G.S. 105-113.81; 105-262;  
Eff. February 1, 1976;  
Readopted Eff. January 1, 2021.*

**SECTION .0600 - BOND REQUIRED**

**17 NCAC 04E .0601 BOND OR IRREVOCABLE LETTER OF CREDIT REQUIRED OF WHOLESALERS AND IMPORTERS OF MALT BEVERAGES OR WINE**

(a) A bond submitted to the Department pursuant to G.S. 105-113.86 shall be filed on Form B-C-790. Form B-C-790 requires the following:

- (1) the bond number;
- (2) the principal's legal name;
- (3) the surety's name;
- (4) the written value of bond amount;
- (5) the numeric value of bond amount;
- (6) the bond effective date;
- (7) the date the bond is executed;
- (8) the authorization, printed name, and signature of the Attorney-in-Fact acting on behalf of the surety in accordance with the following:
  - (A) surety shall affix its seal to the form;
  - (B) surety shall include with the form a power of attorney authorizing the Attorney-in-Fact to sign on behalf of the surety; and
  - (C) surety shall prepare the power of attorney on the surety's own form executed under the surety's seal. If the power of attorney submitted with the form is other than a manually signed original, it shall be accompanied by a certification from the surety that the power of attorney is valid; and
- (9) the authorization, printed name, signature, and title of the person authorized to legally bind the principal in accordance with the following:
  - (A) if the principal has a seal, the principal shall affix its seal to the form;
  - (B) if the principal does not have a seal, the person signing the form shall have his or her signature notarized on the form; and
  - (C) the principal shall include documentation (such as the principal's bylaws, operating agreement, or resolution) showing that the person signing the form has the authority to bind the principal.

(b) An irrevocable letter of credit submitted to the Department pursuant to G.S. 105-113.86 shall be issued on the financial institution's letterhead and include the following:

- (1) the irrevocable letter of credit number;
- (2) the North Carolina Department of Revenue designated as the beneficiary;
- (3) the principal name and address;
- (4) the irrevocable letter of credit is issued for alcoholic beverage taxes imposed under G.S. 105-113.80;
- (5) the coverage period, including effective and expiration dates;
- (6) the liability release date, which shall be three years after the expiration date;
- (7) the credit amount;
- (8) the issuing financial institution's name, address, telephone number, and fax number; and
- (9) the signature, printed name, and title of authorized person issuing the irrevocable letter of credit on behalf of the issuing financial institution.

(c) The amount of the bond or irrevocable letter of credit submitted to the Department pursuant to G.S. 105-113.86(a) or (c) in response to a periodic review shall be as follows:

- (1) where the combined tax due for any three months of the previous 12 months exceeds forty thousand dollars (\$40,000), the amount of the bond shall be fifty thousand dollars (\$50,000);
- (2) where the combined tax due for any three months of the previous 12 months exceeds twenty-five thousand dollars (\$25,000) but does not exceed forty thousand dollars (\$40,000), the amount of the bond shall be forty thousand dollars (\$40,000);
- (3) where the combined tax due for any three months of the previous 12 months exceeds twelve thousand five hundred dollars (\$12,500) but does not exceed twenty-five thousand dollars (\$25,000), the amount of the bond shall be twenty-five thousand dollars (\$25,000);
- (4) where the combined tax due for any three months of the previous 12 months exceeds five thousand dollars (\$5,000) but does not exceed twelve thousand five hundred dollars (\$12,500), the amount of the bond shall be twelve thousand five hundred dollars (\$12,500); and
- (5) where the combined tax due for any three months of the previous 12 months does not exceed five thousand dollars (\$5,000), the amount of the bond shall be five thousand dollars (\$5,000).

(d) The amount of the bond or irrevocable letter of credit submitted to the Department pursuant to G.S. 105-113.86(b) shall be two thousand dollars (\$2,000).

*History Note:* Authority G.S. 105-113.86; 105-262;  
Eff. February 1, 1976;  
Amended Eff. April 1, 2008; January 1, 1994; April 1, 1986;  
Readopted Eff. January 1, 2021.

#### **17 NCAC 04E .0602 NEW WHOLESALER OR IMPORTER BOND**

*History Note:* Authority G.S. 105-113.86; 105-262;  
Eff. February 1, 1976;  
Amended Eff. January 1, 1994;  
Repealed Eff. January 1, 2021.

### **SECTION .0700 - DISTRIBUTION OF MALT AND WINE EXCISE TAX TO LOCAL GOVERNMENTS**

#### **17 NCAC 04E .0701 PARTICIPANTS IN DISTRIBUTION 17 NCAC 04E .0702 PER CAPITA BASIS**

*History Note:* Authority G.S. 105-113.86; 105-113.102;  
Eff. February 1, 1976;  
Amended Eff. March 14, 1980;  
Repealed Eff. October 30, 1981.

#### **17 NCAC 04E .0703 DISTRIBUTION NOTICE**

*History Note:* Authority G.S. 105-113.82; 105-262;  
Eff. February 1, 1976;  
Amended Eff. July 1, 2000; March 14, 1980;  
Expired Eff. January 1, 2019 pursuant to G.S. 150B-21.3A.

#### **17 NCAC 04E .0704 DEFINED AREAS**

*History Note:* Authority G.S. 105-113.86; 105-113.102;  
Eff. February 1, 1976;  
Amended Eff. March 14, 1980; September 20, 1977;  
Repealed Eff. October 30, 1981.

**17 NCAC 04E .0705      HOLD FUNDS**

*History Note:*      *Authority G.S. 105-113.86; 105-113.102;*  
*Eff. February 1, 1976;*  
*Amended Eff. March 14, 1980;*  
*Repealed Eff. April 1, 1986.*

**17 NCAC 04F .0101      ISSUANCE OF STAMPS**  
**17 NCAC 04F .0102      DENOMINATION OF STAMPS**  
**17 NCAC 04F .0103      COST OF STAMPS**  
**17 NCAC 04F .0104      POSTAGE PAID**

*History Note:*      *Authority G.S. 105-228.31; 105-228.32; 105-262;*  
*Eff. February 1, 1976;*  
*Amended Eff. January 1, 1994; July 1, 1984;*  
*Repealed Eff. July 1, 2000.*

**17 NCAC 04F .0105      CONVEYANCE TAX (EXCISE TAX ON DEEDS) REPORTS**

*History Note:*      *Authority G.S. 105-228.30; 105-262;*  
*Eff. October 1, 1991;*  
*Repealed Eff. July 1, 2000.*