

**17 NCAC 04C .0504 OUT-OF-STATE SALES: NONRESIDENT REGISTRATION**

(a) Sales of non-tax-paid cigarettes by a licensed North Carolina distributor to nonresident retail or wholesale dealers must be delivered by the North Carolina distributor to the business location of the nonresident in another state to qualify as an out-of-state sale exempted from the North Carolina cigarette excise tax. A nonresident dealer may accept delivery of cigarette purchases in this State provided:

- (1) The nonresident dealer has no place of business in North Carolina;
- (2) The nonresident dealer is purchasing cigarettes for the purpose of resale outside of North Carolina;
- (3) The nonresident dealer is registered with the Documents and Payments Processing Division, Tobacco Tax Unit of this department as a nonresident retail and wholesale cigarette dealer; and
- (4) The nonresident dealer's cigarette purchases must have affixed thereto by the North Carolina distributor the taxpaid cigarette indicia of the state of the nonresident purchaser where required.

(b) Registration of the nonresident retail or wholesale cigarette dealer is not required where the North Carolina resident cigarette distributor delivers cigarette purchases of such nonresident dealer to the nonresident business location outside this state.

(c) Cigarettes sold and delivered outside this state must have affixed thereto by the North Carolina cigarette distributor selling same the taxpaid cigarette indicia of the state of the nonresident purchaser where required.

(d) The North Carolina cigarette distributor shall be held responsible for the accuracy and authenticity of the nonresident retail or wholesale dealer's registration number. Verification may be made at any time by inquiry to the Documents and Payments Processing Division, Tobacco Tax Unit of this department. It is also the distributor's responsibility to keep and retain in his records the executed certificate, Form B-A-52, for examination and audit and the distributor shall be required to identify each invoice or bill of sale made to such nonresident retail or wholesale cigarette dealer by noting thereon his registration number.

*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.*