

**SECTION .0200 – ECONOMIC SUBSTANCE**

**17 NCAC 05F .0201 ECONOMIC SUBSTANCE TEST BURDEN OF PROOF**

The taxpayer has the burden of proving that a transaction meets both prongs of the economic substance test as specified in G.S. 105-130.5A(g).

*History Note: Authority G.S. 105-130.5A; 105-262.1;  
Eff. January 31, 2013;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. August 19,  
2017.*