

**17 NCAC 07B .0117      PROPERTY TRANSFERS BETWEEN DIVISIONS**

Firms having divisions, both within and without North Carolina, are liable for remitting the applicable rate of tax on any purchases of tangible personal property for use in North Carolina, including any property purchased outside North Carolina and imported into North Carolina for use in this state. No tax will be due with respect to those transfers of property by an out-of-state firm to its North Carolina divisions for their use when the property was originally purchased for use outside this state by the out-of-state firm and was in fact used by that firm outside this state for a substantial period of time.

*History Note:      Authority G.S. 105-164.6; 105-262;  
                            Eff. February 1, 1976;  
                            Amended Eff. December 1, 1997; October 1, 1993.*