

17 NCAC 07B .0123 COMMERCIAL FISHERMEN – CERTIFICATE OF EXEMPTION

(a) Certificate. - A commercial fisherman may complete a Streamlined Sales Tax Agreement Certificate of Exemption, form E-595E. The certificate authorizes a retailer or a wholesale merchant to whom it is presented to sell property that is exempt from sales and use tax under G.S. 105-164.13(9) to the commercial fisherman without collecting sales and use tax. A retailer or a wholesale merchant who does not collect tax on an item sold to a commercial fisherman and does not have a certificate to support the tax-free sale must have other written evidence that supports the tax-free sale.

(b) Items Covered by Certificate. - The items listed in G.S. 105-164.13(9) can be purchased under a certificate of exemption if the items are to be used principally in commercial fishing operations. Commercial fishing operations include charter boat and head boat operations that charge people to take them fishing. Items that may be exempt under G.S. 105-164.13(9) and, therefore, purchased under a certificate include paint brushes, paint rollers, acetylene, oxygen, funnels, sanding discs, welding rods, saw blades, drill bits, foul weather gear, gloves, and life vests. These items are exempt if they are for use principally in commercial fishing operations.

(c) Items Not Covered By Certificate. - Only items that are described in G.S. 105-164.13(9) and are for use principally in commercial fishing operations are exempt from tax and therefore eligible to be purchased under a certificate. Items for personal use by a commercial fisherman are not exempt under G.S. 105-164.13(9) and, therefore, may not be purchased under a certificate. Personal items include tableware, toothpaste, soap, food, and clothing. Items for use in catching marine mammals, fish, shellfish, and crustaceans for recreation or personal use or consumption are not exempt and may not be purchased under a certificate.

History Note: *Authority G.S. 105-164.4; 105-164.6; 105-164.13; 105-262;*
Eff. July 5, 1980;
Amended Eff. April 1, 2006; July 1, 2000; August 1, 1998; November 1, 1995; April 1, 1995; October
1, 1993; July 1, 1989.