

SECTION .2000 - SALES AND GIFTS BY EMPLOYERS TO EMPLOYEES

17 NCAC 07B .2001 SALES TO EMPLOYEES

(a) Pursuant to G.S. 105-164.4, an employer engaged in business in this State shall collect and remit the sales and use tax due on the retail sale of an item, as the term item is defined in G.S. 105-164.3, to an employee. The tax due shall be computed on the sales price of the item. An employer required to collect sales or use tax shall register with the Department in accordance with 17 NCAC 07B .0104. The fact that an employer's sales are infrequent, comprise only a small fraction of the total business, or are to employees only, shall not relieve an employer of these requirements.

(b) Employees shall pay the sales or use tax due on the purchase of an item from their employer, pursuant to G.S. 105-164.4 and G.S. 105-164.6. The tax due shall be computed on the sales price or purchase price of the item.

*History Note: Authority G.S. 105-164.3; 105-164.4; 105-164.6; 105-164.19; 105-262; 105-264; 105-467; 105-468; 105-469; 105-483; 105-498; 105-507.2; 105-509.1; 105-510.1; 105-511.3; 105-537; 105-538;
Eff. February 1, 1976;
Amended Eff. April 1, 2006; October 1, 1993; October 1, 1991;
Readopted Eff. January 1, 2024.*