

**17 NCAC 07B .3804 GIFT CERTIFICATES AND GIFT CARDS**

Charges for gift certificates or gift cards are not subject to sales and use tax, pursuant to G.S. 105-164.4, at the time of initial sale for the gift certificate or gift card. When the holder of a gift certificate or gift card redeems the gift certificate or gift card for items, as the term item is defined in G.S. 105-164.3, the transaction is subject to the same sales and use taxes applicable to the item as if it were purchased without a gift certificate or gift card.

*History Note: Authority G.S. 105-164.3; 105-164.4; 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. May 1, 2009; October 1, 1993; October 1, 1991; Readopted Eff. January 1, 2024.*