

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 1092

Short Title: Eliminate State Food Tax.

(Public)

Sponsors: Senators Hoyle, Kerr, Albertson, Ballance, Basnight, Cooper, Dalton, Dannelly, Gulley, Jenkins, Jordan, Kinnaird, Lee, Lucas, Martin of Pitt, Martin of Guilford, Miller, Odom, Perdue, Phillips, Plyler, Purcell, Rand, Reeves, Shaw of Cumberland, Soles, Warren, Weinstein, Wellons, and Winner.

Referred to: Finance.

May 12, 1998

A BILL TO BE ENTITLED

AN ACT TO ELIMINATE THE STATE SALES TAX ON FOOD.

The General Assembly of North Carolina enacts:

Section 1. Effective November 1, 1998, G.S. 105-164.4(a)(5) reads as rewritten:

"(5) The rate of ~~two percent (2%)~~ one percent (1%) applies to the sales price of food that is not otherwise exempt pursuant to G.S. 105-164.13 but would be exempt pursuant to G.S. 105-164.13 if it were purchased with coupons issued under the Food Stamp Program, 7 U.S.C. § 51."

Section 2. Effective July 1, 1999, G.S. 105-164.4(a)(5) is repealed.

Section 3. Effective July 1, 1999, Article 5 of Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ 105-164.13B. Food exempt from tax.

The taxes imposed by this Article do not apply to food that is not otherwise exempt pursuant to G.S. 105-164.13 but would be exempt pursuant to G.S. 105-164.13 if it were purchased with coupons issued under the Food Stamp Program, 7 U.S.C. § 51."

1 Section 4. Sections 2 and 3 of this act become effective July 1, 1999, and
2 apply to sales made on or after that date. The remainder of this act becomes effective
3 November 1, 1998, and applies to sales made on or after that date.