

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2001**

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**HOUSE BILL 796**

Short Title: Farm Baling Equipment Tax Change.

(Public)

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Sponsors: Representatives Nye; Warwick and Cox.

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Referred to: Finance.

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March 26, 2001

A BILL TO BE ENTITLED

1 AN ACT TO PROVIDE THAT THE CURRENT SALES TAX TREATMENT FOR  
2 FARM MACHINERY AND EQUIPMENT ALSO APPLIES TO BALERS.  
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4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-164.4A(1) reads as rewritten:

6 "(1) Farm machinery. – Sales to a farmer of machines and machinery, and  
7 parts and accessories for these machines and machinery, for use by the  
8 farmer in the planting, cultivating, harvesting, ~~or curing~~ curing, or  
9 baling of farm crops or in the production of dairy products, eggs, or  
10 animals. A "farmer" includes a dairy operator, a poultry farmer, an egg  
11 producer, a livestock farmer, a farmer of crops, and a farmer of an  
12 aquatic species, as defined in G.S. 106-758. Items that are exempt  
13 from tax under G.S. 105-164.13(4c) are not subject to tax under G.S.  
14 105-164.4.

15 The term "machines and machinery" as used in this subdivision is  
16 defined as follows:

17 The term ~~shall include~~ includes all vehicular implements, designed  
18 and sold for any use defined in this subdivision, ~~which that~~ are  
19 operated, drawn or propelled by motor or animal power, but ~~shall~~ does  
20 not include vehicular implements ~~which that~~ are operated wholly by  
21 hand, and ~~shall~~ does not include any motor vehicles required to be  
22 registered under Chapter 20 of the General Statutes.

23 The term ~~shall include~~ includes all nonvehicular implements and  
24 mechanical devices designed and sold for any use defined in this  
25 subdivision, ~~which that~~ have moving parts, or ~~which that~~ require the  
26 use of any motor or animal power, fuel, or electricity in their operation  
27 but ~~shall~~ does not include nonvehicular implements ~~which that~~ have no  
28 moving parts and are operated wholly by hand.

1                   The term ~~shall also include~~also includes metal flues sold for use in  
2                   curing tobacco, whether ~~such~~the flues are attached to handfired  
3                   furnaces or used in connection with mechanical burners."

4                   **SECTION 2.** This act becomes effective October 1, 2001, and applies to  
5                   sales made on or after that date.