

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015**

**SESSION LAW 2015-235  
SENATE BILL 399**

AN ACT TO ALLOW A JOINT AGENCY CREATED TO PROVIDE POLICE PROTECTION, FIRE PROTECTION, AND EMERGENCY SERVICES A REFUND OF SALES AND USE TAXES PAID AND TO DIRECT THE REVENUE LAW STUDY COMMITTEE TO EXAMINE THE APPLICATION OF THE EXEMPTION OF THE MOTOR FUELS TAX TO ENTITIES COMPRISED OF MULTIPLE LOCAL GOVERNMENT UNITS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-164.14(c)(17) reads as rewritten:

"(c) Certain Governmental Entities. – A governmental entity listed in this subsection is allowed an annual refund of sales and use taxes paid by it under this Article on direct purchases of tangible personal property and services. Sales and use tax liability indirectly incurred by a governmental entity on building materials, supplies, fixtures, and equipment that become a part of or annexed to any building or structure that is owned or leased by the governmental entity and is being erected, altered, or repaired for use by the governmental entity is considered a sales or use tax liability incurred on direct purchases by the governmental entity for the purpose of this subsection. The refund allowed under this subsection does not apply to purchases of electricity, telecommunications service, ancillary service, piped natural gas, video programming, or a prepaid meal plan. A request for a refund must be in writing and must include any information and documentation required by the Secretary. A request for a refund is due within six months after the end of the governmental entity's fiscal year.

This subsection applies only to the following governmental entities:

- ...
- (17) A joint agency created by interlocal agreement pursuant to G.S. 160A-462 to (i) provide fire protection, emergency services, or police protection or (ii) operate a public broadcasting television station.
- ....."

**SECTION 2.** The Revenue Laws Study Committee is directed to study the application of the motor fuels tax exemption to entities that are comprised of multiple local government units. The study may include an examination of how the exemption applies to joint agencies created by interlocal agreements and regional authorities created by agreement of multiple counties.



**SECTION 3.** Section 1 of this act becomes effective July 1, 2015, and applies to sales made on or after that date. The remainder of this act is effective when it becomes law. In the General Assembly read three times and ratified this the 31<sup>st</sup> day of August, 2015.

s/ Tom Apodaca  
Presiding Officer of the Senate

s/ Tim Moore  
Speaker of the House of Representatives

s/ Pat McCrory  
Governor

Approved 10:30 a.m. this 1<sup>st</sup> day of September, 2015