

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2017

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HOUSE BILL 400

Short Title: Exempt Vacation Linen Rentals From Sales Tax. (Public)

Sponsors: Representatives Boswell, Iler, and Shepard (Primary Sponsors).

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Finance

March 20, 2017

A BILL TO BE ENTITLED
AN ACT TO EXEMPT FROM SALES AND USE TAX THE RENTAL OF LINENS TO THE
PROVIDER OF A RESIDENTIAL ACCOMMODATION.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-164.4F reads as rewritten:

"§ 105-164.4F. Accommodation rentals.

...

(b) Tax. – The gross receipts derived from the rental of an accommodation are taxed at the general rate set in G.S. 105-164.4. Gross receipts derived from the rental of an accommodation include the sales ~~price~~ price, except as otherwise provided in this section, of the rental of the accommodation. The sales price of the rental of an accommodation is determined as if the rental were a rental of tangible personal property. The sales price of the rental of an accommodation marketed by a facilitator includes charges designated as facilitation fees and any other charges necessary to complete the rental.

...

(e) Exemptions. – The tax imposed by this section does not apply to the following:

- (1) A private residence, cottage, or similar accommodation that is rented for fewer than 15 days in a calendar year other than a private residence, cottage, or similar accommodation listed with a real estate broker or agent.
- (2) An accommodation supplied to the same person for a period of 90 or more continuous days.
- (3) An accommodation arranged or provided to a person by a school, camp, or similar entity where a tuition or fee is charged to the person for enrollment in the school, camp, or similar entity.
- (4) The rental of linens by the provider of an accommodation, or the provider's agent, if all of the following conditions are met:
 - a. The accommodation is a residence, cottage, or a similar lodging facility and is not a hotel or a motel.
 - b. The purchaser of the accommodation has the option, for an additional charge, to obtain linens and the election is not mandatory by the provider of the accommodation.
 - c. The charges for the linen rental are separately stated and identified as such on an invoice or similar billing document provided to the purchaser of the accommodation."



1 **SECTION 2.** This act becomes effective July 1, 2017, and applies to gross receipts
2 derived from the rental of an accommodation that a consumer occupies or has the right to
3 occupy on or after that date.