

**NORTH CAROLINA GENERAL ASSEMBLY**

**LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** House Bill 1448 (First Edition)

**SHORT TITLE:** Notice Period for Sales and Use Tax Refunds.

**SPONSOR(S):** Representative Luebke

**FISCAL IMPACT**

Yes ( )      No (X)      No Estimate Available ( )

(\$millions)

FY 2004-05   FY 2005-06   FY 2006-07   FY 2007-08   FY 2008-09

**REVENUES**

**General Fund**

(See Assumptions and Methodology)

**PRINCIPAL DEPARTMENT(S) &**

**PROGRAM(S) AFFECTED:** North Carolina Department of Revenue.

**EFFECTIVE DATE:** When it becomes law.

**BILL SUMMARY:** The bill requires that sellers be given notice and 60 days to respond to a purchaser request for a refund of over collected sales taxes before a purchaser can bring a cause of action against the seller. The bill is part of the State's efforts to comply with the Streamlined Sales Tax Project requirements and the recommendation of the Revenue Laws Study Committee.

**ASSUMPTIONS AND METHODOLOGY:** The legislation changes the process through which a purchaser can challenge a potential overpayment of sales tax to a retailer. The Department indicates that this procedural change is needed to comply with the Streamlined Sales Tax Project requirements. Because this portion only makes procedural changes, no fiscal impact is expected by either Fiscal Research or the Department of Revenue.

**SOURCES OF DATA:** North Carolina Department of Revenue.

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**DATE:** May 19, 2004



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