

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE BILL 2006

Short Title: Earliest Eff. Date For S/U Tax Rate Change. (Public)

Sponsors: Senator Snow.

Referred to: Finance.

May 28, 2008

1 A BILL TO BE ENTITLED
2 AN ACT TO DESIGNATE THE EARLIEST DATE ON WHICH A SALES AND USE
3 TAX RATE CHANGE MAY BECOME EFFECTIVE.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-164.15A reads as rewritten:

6 "**§ 105-164.15A. Effective date of rate ~~changes for services and items taxed at~~**
7 **combined general rate changes.**

8 (a) Services. – The effective date of a rate change for a service taxable under this
9 Article is administered as follows:

10 (1) For a rate increase, the new rate applies to the first billing period that
11 starts on or after the effective date. For a service billed after it is
12 provided, the first billing period starts on the effective date. For a
13 service billed before it is provided, the first billing period starts on the
14 first day of the month after the effective date.

15 (2) For a rate decrease, the new rate applies to bills rendered on or after
16 the effective date.

17 (b) Combined Rate Items. – The effective date of a rate change for an item that is
18 taxable under this Article at the combined general rate is the effective date of any of the
19 following:

20 (1) The effective date of a change in the State general rate of tax set in
21 G.S. 105-164.4.

22 (2) For an increase in the authorization for local sales and use taxes, the
23 date on which local sales and use taxes authorized by Subchapter VIII
24 of this Chapter for every county become effective in the first county or
25 group of counties to levy the authorized taxes.

26 (3) For a repeal in the authorization for local sales and use taxes, the
27 effective date of the repeal.

28 (c) Earliest Effective Date. – The earliest effective date of a rate change under
29 this Article is the first day of the second succeeding month after the date the Governor

- 1 signs the bill into law. This subsection supersedes any contrary effective date set in a
2 bill that changes the rate that the Governor signs into law."
3 **SECTION 2.** This act is effective when it becomes law.