

12-06

# Nonprofit and Governmental Entity Claim for Refund State and County Sales and Use Taxes

North Carolina Department of Revenue

Complete all of the information in this section.

Legal Name (First 32 Characters) (USE CAPITAL LETTERS FOR YOUR NAME AND ADDRESS)

Account ID

Mailing Address

Federal Employer ID Number

City

State

Zip Code

County

Period Beginning (MM-DD-YY)

Name of Person We Should Contact if We Have Questions About This Claim

Contact Telephone

Period Ending (MM-DD-YY)

Fill in the circle that describes your organization.

- Nonprofit entity as defined in G.S. 105-164.14(b) (Semiannually)
- Governmental entity as defined in G.S. 105-164.14(c) (Annually)

### 1. Name of Taxing County

(If more than one county, see instructions on reverse and attach Form E-536)

State

County

### 2. Total Purchases of Tangible Personal Property for Use on Which North Carolina State or County Sales or Use Tax Has Been Paid Directly to Retailers (Do not include tax paid, purchases for resale, or items described in Line 3)

### 3. Amount of Sales and Use Tax Paid Directly to Retailers on Purchases for Use

(Do not include tax paid on any of the following:

- electricity, piped natural gas, or telecommunications and ancillary services
- the purchase, lease, or rental of motor vehicles
- local occupancy or local prepared food and beverage taxes
- scrap tire disposal or white goods disposal taxes
- reimbursements to employees or individuals
- alcoholic beverages)

### 4. Amount of Sales and Use Tax Paid Indirectly on Building Materials and Supplies as Shown on Contractors' Statements

### 5. Amount of Use Tax Paid Directly to the Department of Revenue by Your Organization (Do not include tax collected and remitted on sales made by your organization)

### 6. Total Tax (Add Lines 3, 4, and 5. County tax must be identified by rate on Line 8)

### 7. Total Refund Requested (Add State and county tax on Line 6)

\$

### 8. Allocation of County Tax on Line 6 (Enter the county tax paid at each applicable rate. If you paid more than one county's tax, see the instructions on reverse and attach Form E-536)

Food 2% Tax

County 2.5% Tax

Additional County 1% Tax

Mecklenburg Transit .5% Tax

Signature: \_\_\_\_\_

I certify that, to the best of my knowledge, this claim is accurate and complete.

Date: \_\_\_\_\_

Title: \_\_\_\_\_

Telephone: \_\_\_\_\_

MAIL TO: NC Department of Revenue, P.O. Box 25000, Raleigh, NC 27640-0001

### For Departmental Use Only

Refund Approved:

As Filed

As Corrected

State Tax

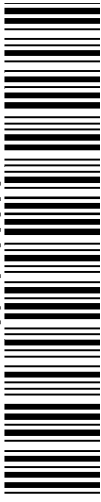
County Tax

Total Tax

By: \_\_\_\_\_

Date: \_\_\_\_\_

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## General Instructions

- Use blue or black ink to complete this claim for refund. An Account ID is required to process the claim. **If your organization's address has changed since your last refund was requested, complete Form NC-AC, Business Address Correction, found on the Department's website at [www.dorn.com](http://www.dorn.com) and mail to the address shown.**
- This claim for refund is to be filed by the following entities as specified:
  - **Nonprofit entities as defined in G.S. 105-164.14(b):**  
Claims for refund of taxes paid during the first six months of the calendar year are due to be filed by October 15 of that year. Claims for refund of taxes paid during the last six months of the calendar year are due to be filed by April 15 of the following year.
  - **Governmental entities as defined in G.S. 105-164.14(c):**  
Claims for refund are due on a fiscal year basis within six months of the close of the fiscal year of the claimant.  
**Effective July 1, 2005, the State sales and use tax is not subject to refund for local school administrative units and joint agencies created by interlocal agreement among local school administrative units pursuant to G.S. 160A-462. Only the county sales and use tax is subject to refund. For Lines 2 through 6, local school administrative units and joint agencies should only complete the County Column.**  
Refund claims filed more than 3 years after the due date cannot be accepted.
- The State general sales and use tax rate is 4.5% through November 30, 2006; 4.25% from December 1, 2006 through June 30, 2006, and 4% effective July 1, 2007. The county sales and use tax rate is 2.5% in all counties except Mecklenburg County which has an additional .5% local sales and use tax for public transportation. Dare County had an additional 1% local sales and use tax from January 1, 2006 through June 30, 2006.
- Records must be maintained on a **county by county** basis to identify purchases of tangible personal property, county tax paid directly to retailers on purchases for use as shown on sales receipts and invoices, County tax paid indirectly on building materials and supplies as shown on contractors' statements, and county tax paid directly to the Department of Revenue.
- Records must be maintained for direct purchases and contractor purchases as specified:
  - **Direct Purchases** - Adequate documentation for tax paid directly to the vendor is an invoice or copy of an invoice that sets out the item purchased, the date of the purchase, the cost of the item, and the amount of sales or use tax paid. Reimbursements to individuals or employees are not considered to be a direct purchase; therefore, the sales or use tax is not refundable.
  - **Contractor Purchases** - Adequate documentation for contractor purchases is a certified statement from the contractor or subcontractor that purchased the items. The statement must indicate the item purchased, the vendor from whom it was purchased, the invoice number of the purchase, the cost of the item, and the amount of sales and use tax paid. Only items that become part of a building the nonprofit entity owns or leases and uses to conduct its nonprofit activities are eligible for a refund. A contractor may not include in its statement items the contractor purchased and used to fulfill the contract but did not become part of the building constructed. Items such as scaffolding, concrete forms, fuel for the operation of machinery and equipment, tools, equipment repair parts, equipment rentals, and blueprints are not to be included in contractor's statements.

***If you have questions about how to complete this claim for refund, a completed sample form and more detailed instructions can be found on our website at [www.dorn.com/downloads/e585\\_sample\\_and\\_faq.pdf](http://www.dorn.com/downloads/e585_sample_and_faq.pdf) or you can call the Taxpayer Assistance Call Center at 1-877-252-3052 (toll-free).***

## Line by Line Instructions

- Line 1 - If all purchases and taxes were paid in only one county, enter the name of that county. If you made purchases and paid county tax in more than one county, do not list a county on Line 1. You must complete Form E-536, Schedule of County Sales and Use Taxes, to identify the individual counties to which tax was paid.
- For Lines 2 through 6, local school administrative units and joint agencies should only complete the County Column.
- Line 2 - Enter in the State Column total purchases of tangible personal property for use on which State sales or use tax was paid to retailers. Enter in the County Column total purchases of tangible personal property for use on which county sales or use tax was paid to retailers.
- For Lines 3 through 6, State tax must be entered in the State Column and county tax must be entered in the County Column.
- Line 3 - Enter the sales and use tax paid directly to retailers on purchases for use, as shown on sales receipts or invoices. Do not include tax paid on nonrefundable purchases as described on the front of claim form.
- Line 4 - Enter the total sales and use tax paid indirectly on building materials and supplies as shown on contractors' statements.
- Line 5 - Enter the total use tax paid to the Department by your organization on your sales and use tax returns. **Do not include tax collected and paid on taxable sales made by your organization.**
- Line 6 - Add the tax by column on Lines 3, 4, and 5 and enter the totals. **If you made purchases and paid county tax in more than one county you must complete Form E-536, Schedule of County Sales and Use Taxes, to identify the individual counties and rates to which tax was paid. The total of all entries made on Form E-536 should equal the county tax shown on Line 6.**
- Line 7 - Add the taxes on Line 6 and enter the total. This is the total amount of the refund that you are requesting.
- Line 8 - Allocate the amount of county tax included on Line 6 in the County Column to the applicable rate. If you are required to complete Form E-536, Schedule of County Sales and Use Taxes, the amounts entered on Line 8 must equal the total amounts by rate included on Form E-536.