

## **I. Publishers of Newsprint Publications (G.S. 105-102.6)**

### **1. Scope**

Publishers of newsprint publications are encouraged to use newsprint that contains recycled content. Any publisher as defined in G.S. 105-102.6(a)(4) who does not meet the State's minimum recycled content percentage is subject to a privilege tax on the tonnage consumed that is below the required minimum.

### **2. Minimum Recycled Content Percentage**

The State's minimum recycled content percentage of newsprint consumed by a publisher is forty percent (40%).

### **3. Recycling Program Partial Credit**

A publisher who has developed and operated or contracts for the operation of a newspaper or magazine recycling program will receive partial credit toward the recycled content percentage requirements on the basis of one ton of credit toward its taxable total recycled content tonnage for each ton of recycling tonnage.

### **4. Tax Reporting Number, Tax Report, and Tax**

Every publisher must apply for and obtain from the Secretary a newsprint publisher tax reporting number. The State assigns a tax reporting number identical to the publisher's federal employer identification number for State reporting purposes.

Every publisher must file an annual report on Form B-302 with the Secretary by January 31 of each year. The report must include all the information required by statute for the preceding calendar year.

In addition, each publisher whose recycled content percentage for a calendar year is less than the applicable minimum recycled content percentage must pay a tax of fifteen dollars (\$15.00) on each ton by which the required minimum recycled content tonnage exceeds the publisher's recycled content tonnage consumed. This tax is due when the report is filed.

### **5. Exemption**

Each publisher is allowed an exemption of otherwise taxable tonnage to the extent the amount being exempted is attributable solely to the publisher's inability to obtain sufficient recycled content newsprint because

- Recycled content newsprint was not available at a price comparable to the price of virgin newsprint;
- Recycled content newsprint of a quality comparable to virgin newsprint was not available; or
- Recycled content newsprint was not available within a reasonable period of time during the reporting period.

Each publisher claiming the exemption must provide all the information required by statute to the Secretary.