



North Carolina Department of Revenue

Beverly Eaves Perdue
Governor

Kenneth R. Lay
Secretary

December 9, 2009

MEMORANDUM

TO: North Carolina County and Municipality Managers and Finance Officers

FROM: Eric K. Wayne
Director, Sales and Use Tax Division

SUBJECT: Local Distribution Amounts

Session Law 09-451, enacted an additional one percent (1%) State sales tax effective September 1, 2009. The Department received numerous returns for September 2009 during the month of October 2009 that were not properly completed; therefore, the returns did not properly post to the Department's system. As a result of posting problems, employees of the Department have been manually correcting the returns and returns could not be posted as efficiently as under normal circumstances.

The Department continues to receive a large number of electronic tax payments from registered taxpayers without the returns being submitted for processing. This continues to be an issue the Department regularly addresses with taxpayers and we enlist your help with communicating this problem to taxpayers to ensure quicker resolution. Department employees continue to contact taxpayers regarding missing returns and suggest to taxpayers to utilize the online filing and payment option in lieu of only paying electronically through an alternate method.

As a result of the above issues and due to an early close out as a result of the Thanksgiving holiday, the Department was unable to address a number of issues for the October 2009 period and adjustments will be made as soon as possible and included in subsequent distributions.

For questions, contact Ed Strickland at (919) 733-2151.