



**Sales and Use Tax Division
North Carolina Department of Revenue
Post Office Box 25000
Raleigh, North Carolina 27640-0001
www.dornc.com**

**IMPORTANT NOTICE:
ADDITIONAL 0.25% LOCAL SALES AND USE TAX**

Effective April 1, 2015, the following counties adopted a resolution to levy an additional 0.25% local sales and use tax:

Anson County and Ashe County

Effective April 1, 2015, the local rate of sales and use tax in Anson and Ashe Counties is 2.25%. The general 4.75% State and 2.25% local rates of sales and use tax (total rate of 7.00%) apply to taxable sales and purchases of tangible personal property, taxable service contracts to maintain or repair tangible personal property or motor vehicles, taxable gross receipts derived from admission charges to an entertainment activity, certain digital property, and other transactions subject to the general State rate of sales and use tax pursuant to the provisions of N.C. Gen. Stat. § 105-164.4. Sales of food subject to the 2.00% rate of tax are not subject to the additional 0.25% local rate of sales and use tax. **The provisions of the Local Government Sales and Use Tax Law, with respect to a retailer or facilitator required to collect sales and use tax in a taxing county, and the liability for local sales and use tax, are applicable to the new levy.**

General State and Applicable Local and Transit Rates as of April 1, 2015

Effective April 1, 2015, the total general State and applicable local and transit rates of sales and use tax is 6.75% in seventy counties, 7.00% in Alexander, Anson, Ashe, Buncombe, Cabarrus, Catawba, Cumberland, Davidson, Duplin, Edgecombe, Greene, Halifax, Harnett, Haywood, Hertford, Lee, Martin, Montgomery, New Hanover, Onslow, Pitt, Randolph, Robeson, Rowan, Sampson, Surry and Wilkes Counties, 7.25% in Mecklenburg County, and 7.50% in Durham and Orange Counties.

County Tax Reporting Requirements

A retailer or facilitator required to collect local and transit sales and use tax in more than one county must complete Form E-536, Schedule of County Sales and Use Taxes, and submit it along with the sales and use tax return or enter the applicable local and transit tax information for each county at the time of filing an electronic return. Form E-536 or the electronic information should reflect the amount of local and transit tax collected for each county by a retailer or facilitator. Form E-536 and the Department's electronic services will be revised to accommodate the applicable 2.25% local tax rates for Anson and Ashe Counties for returns due to be filed for periods beginning April 1, 2015. Purchases of taxable products by a person for storage, use, consumption or distribution in Anson or Ashe Counties on or after April 1, 2015 are subject to the 2.25% local rate of sales and use tax.

Additional Information

For general guidance on the administration of the sales and use tax rate increase for Anson and Ashe Counties relating to leases or rentals, construction contracts including change orders, layaway sales, gross receipts derived from the rental of accommodations, taxable service contracts to maintain or repair tangible personal property, taxable gross receipts derived from admission charges to an entertainment activity and reporting of tax on the cash basis of accounting for sales and use tax purposes, please review the publication at the following link: www.dornc.com/taxes/sales/generalguidancelocaltax.pdf.

Assistance

The revised Form E-536, Schedule of County Sales and Use Taxes, will be available after April 1, 2015 and can be obtained on the Department's website or by calling the Department's Forms Line at 1-877-252-3052 (toll-free) after April 1, 2015. Questions regarding this notice should be directed to the Taxpayer Assistance and Collection Center at telephone number 1-877-252-3052 (toll-free).