



**Sales and Use Tax Division  
North Carolina Department of Revenue  
Post Office Box 25000  
Raleigh, North Carolina 27640-0001  
[www.dorncc.com](http://www.dorncc.com)**

---

**IMPORTANT NOTICE: DISASTER ASSISTANCE SALES AND USE TAX EXEMPTIONS**

**On October 14, 2016**, the United States Department of Agriculture (USDA) issued special disaster rules granting a waiver for hot foods purchased with SNAP EBT benefits through November 14, 2016. The special disaster rules provide, in part, that “[d]ue to the floods and severe storms caused by Hurricane Matthew, and effective immediately, retail food stores licensed by the Food and Nutrition Service to accept SNAP benefits in the State of North Carolina may accept SNAP benefits in exchange for HOT foods and foods intended to be consumed on retailer premises.” The special rules are in effect through November 14, 2016 and apply to purchases of hot foods in all 100 counties.

Therefore, when hot foods are purchased with SNAP EBT benefits **from retail food stores licensed by the Food and Nutrition Service to accept SNAP benefits** through November 14, 2016, the purchases are NOT subject to sales tax, as the foods are considered SNAP eligible during the period October 14, 2016 through November 14, 2016. Under normal Food and Nutrition Services rules, hot food prepared for immediate consumption is not eligible for purchase at authorized retailer locations.

All SNAP authorized retail food stores in the State of North Carolina are encouraged to post a special notice in the stores advising SNAP customers that they can use their SNAP EBT benefits to purchase hot foods and, where practical, may remain on the premises to consume those foods. A copy of the special disaster rules issued by the USDA is available at the following location: <http://www.fns.usda.gov/sites/default/files/disaster/North-Carolina-Hot-Foods-Notice.pdf>.

Retailers are reminded that “food and other items lawfully purchased under the Food Stamp Program, 7 U.S.C. § 2011, and supplemental foods lawfully purchased with a food instrument issued under the Special Supplemental Nutrition Program, 42 U.S.C. § 1786, and supplemental foods purchased for direct distribution by the Special Supplemental Nutrition Program” continue to be exempt from sales and use tax during the period October 14, 2016 through November 14, 2016 and after November 14, 2016 per the exemption in N.C. Gen. Stat. § 105-164.13(38).

**Exemption for Disaster Assistance Debit Purchases**

Retail sales of tangible personal property purchased with a client assistance debit card issued for disaster assistance relief by a State agency or a federal agency or instrumentality such as the Federal Emergency Management Administration (FEMA) or the American Red Cross are exempt from sales and use tax per N.C. Gen. Stat. § 105-164.13(58).

**Assistance**

General questions regarding this notice should be directed to the Taxpayer Assistance and Collection Center at telephone number 1-877-252-3052 (toll-free).

*To the extent that there is any change in the rate of tax, statute or regulation, or new case law subsequent to the date of this notice, the provisions in this important notice may be superseded or voided. To the extent that any provisions in any other notice, directive, technical bulletin, or published guidance regarding sales and use tax issued prior to the date of this notice conflicts with this important notice, the provisions contained in this important notice supersede.*