



**Sales and Use Tax Division  
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**IMPORTANT NOTICE: INTERNET TAX FREEDOM ACT EXTENDED**

The Consolidated and Further Continuing Appropriations Act, 2015 ("Act"), was signed by President Barack Obama on December 16, 2014. The Act includes a provision that extends the Internet Tax Freedom Act ("ITFA") until October 1, 2015.

North Carolina does not impose a sales and use tax on receipts derived from providing Internet access service. The gross receipts derived from providing telecommunications service to Internet service providers for use in providing Internet access continue to be exempt from sales and use tax. The Department will continue to monitor the status of the ITFA and will provide additional information in the event there are changes that will affect the guidance in this notice.

*This Important Notice is based on legislation that is in effect as of December 16, 2014. To the extent that there is any change in statute or regulation or a case law subsequent to December 16, 2014, the provisions in this Important Notice may be superseded or voided.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.*