



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

**IMPORTANT NOTICE:
RENTALS OF PRIVATE RESIDENCES, COTTAGES OR SIMILAR ACCOMMODATIONS**

House Bill 1050 (S.L. 2014-3), signed into law May 29, 2014 by Governor McCrory, provides that the gross receipts derived from the rental of a private residence, cottage, or similar accommodation listed with a real estate broker or agent where a person occupies or has the right to occupy such on or after June 1, 2014 is subject to the 4.75% general State and applicable local and transit rates of sales and use tax and any local occupancy tax imposed by a city or county. N.C. Gen. Stat § 105-164.4(a)(3) provides that the "rentals are taxed in accordance with new G.S. 105-164.4F."

A retailer is not liable for an overcollection or undercollection of sales tax or occupancy tax if the retailer has made a good-faith effort to comply with the law and collect the proper amount of tax and has, due to the change under this section, overcollected or undercollected the amount of sales tax or occupancy tax that is due for the period beginning June 14, 2012, and ending July 1, 2014.

The taxation of the gross receipts derived from the rental of a private residence, cottage, or similar accommodation for fewer than 15 days was previously addressed in the Important Notice: Tax on Accommodations (Revised June 14, 2012). **To the extent that any provision in the [2012 Important Notice](#) conflicts with this Important Notice, the provisions contained in this Important Notice supersede.**

Assistance

Questions about this notice can be directed to the Taxpayer Assistance and Collection Center at telephone number 1-877-252-3052 (toll-free).