



North Carolina Department of Revenue

Michael F. Easley
Governor

E. Norris Tolson
Secretary

June 28, 2007

(name of Taxpayer)
(address of Taxpayer)

Re: Unauthorized Substance Tax Proposed Assessment
(AN {AN number}; Docket Number 2006-281)

Dear (name of Taxpayer):

The above-referenced matter came on for administrative hearing by written communication at your request. Subsequent to the record of hearing closing on April 11, 2007, Assistant Secretary of Revenue Eugene J. Cella rendered a decision in the matter of Docket # 2006-281. The matter was ordered dismissed and the proposed assessment canceled.

The issues decided were as follows: (1) Did Taxpayer have actual or constructive possession of marijuana without proper tax stamps affixed, and (2) Is Taxpayer subject to the assessment of unauthorized substance excise tax? Both issues were answered in the negative.

The preponderance of evidence contained in the hearing record indicated that Taxpayer possessed marijuana plants. However, the record of hearing did not contain sufficient evidence as to how such marijuana plants were cut and weighed. Neither actual nor constructive possession of an assessable quantity of controlled substance was established from the record in the hearing of this matter. Accordingly, the proposed assessment referenced above was ordered canceled. This letter is official notification that such proposed assessment has been canceled. Please call me at (919) 733-6459 if you have any questions.

Sincerely,

George Valsame, Assistant Director
Unauthorized Substances Tax Division

cc: Eugene J. Cella, Assistant Secretary

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