

Form E-500G Scrap Tire Disposal Tax Return
General Instructions

1. Use Form E-500G to file and report your North Carolina scrap tire disposal taxes. For more information on the scrap tire disposal tax, click [here](#).
2. A tax return must be filed for each filing period by the due date indicated or a delinquent notice for failure to file will be issued by the Department. The tax shown due must be paid with the return or penalty and interest will be assessed by the Department. **If you do not owe any tax for a filing period, you must file a return and enter zero (0.00) on Line 15. Do not write "No Tax Due" or any similar text on the return.**
3. Complete the Scrap Tire Disposal Tax Return in its entirety on your computer and print the return.
4. **If you discontinue business operations or sell your business, complete [Form NC-BN, Out-of-Business Notification](#), and mail it separate from any return to the Department at the address shown on the form.**
5. Payment must be made in U.S. dollars by check or money order drawn on a U.S. (domestic) bank payable to the North Carolina Department of Revenue. Do not mail cash, stamps, or post dated checks with a return.
6. Sign the return and payment and mail to the address on the return.

How to Prepare Return: Specific Line Instructions

- Line 1 - Gross Receipts:** Enter the total amount of gross receipts from sales of tires. **Do not include any taxes collected on the amount you enter on Line 1.**
- Line 2 - Sales For Resale:** Enter the total amount of wholesale sales of tires sold for resale, sublease, or subrent. **Do not include sales for resale in exempt sales on Lines 3 through 7.**
- Line 3 - Sales in Interstate Commerce:** Enter the total amount of sales delivered to a point outside the State for use solely outside the State.
- Line 4 - Sales Directly to the Federal Government:** Enter the total sales made directly to the Federal Government.
- Line 5 - Sales of Recapped Tires and Used Tires:** Enter the total amount of sales of recapped tires and used tires.
- Line 6 - Sales of Tires for Placement on Newly Manufactured Vehicles:** Enter the total amount of sales of tires for placement on newly manufactured vehicles as provided in G.S. 105-187.18(a)(3).
- Line 7 - Bicycle Tires and Other Tires for Vehicles Propelled by Human Power:** Enter the total amount of sales of bicycle tires and other tires for vehicles propelled by human power as provided in G.S. 105-187.18(a)(1).

Line 8 - Total Exempt Sales: Add Lines 3 through 7 and enter the sum.

Line 9 - Total Taxable Sales: Subtract Lines 2 and 8 from Line 1 and enter the result.

Line 10 - Tires Less Than 20 Inches - 2% Rate: Under the column "Receipts and Purchases," enter the total taxable receipts and sales which are subject to the 2% rate of tax excluding the tax collected. Compute the tax due on the total amount of "Receipts and Purchases" at the 2% rate and enter that amount under the column "Tax."

Line 11 - Tires At Least 20 Inches - 1%Rate: Under the column "Receipts and Purchases," enter the total taxable receipts and sales which are subject to the 1% rate of tax excluding the tax collected. Compute the tax due on the total amount of "Receipts and Purchases" at the 1% rate and enter that amount under the column "Tax."

Line 12 - Total Tax: Add the tax amounts on Lines 10 and 11 and enter the sum.

Line 13 - Penalty: If the return is filed after the due date, add the **Failure to File Return penalty** of 5% of the tax amount shown on Line 12 for each month, or fraction thereof, that the return is filed late. The maximum Failure to File Return penalty is 25% of the tax amount shown on Line 12.

If the tax was not paid when due, add the Failure to Pay Tax When Due Penalty of 10% of the tax amount shown on Line 12.

Line 14 - Interest: If the return is filed after the due date and tax is due, compute interest on the Total Tax amount on Line 12 from the date the taxes were due until paid. The Secretary of Revenue establishes the interest rate on a semiannual basis. The interest rate is 5% per year or .417% per month through December 31, 2020. Check the Department's [interest rate webpage](#) for the interest rate in effect on or after January 1, 2021.

Line 15 - Total Due: Enter the total amount due by adding Lines 12, 13, and 14 and pay this amount.

Additional information about scrap tire disposal tax may be obtained from the Department's website, www.ncdor.gov.