



Excise Tax Division
North Carolina Department of Revenue
Post Office Box 25000
Raleigh, North Carolina 27640-0001
ncdor.gov

IMPORTANT NOTICE:

REPEAL STATE PRIVILEGE TAX ON PROFESSIONALS

The following important information is addressed in this notice:

- Effective July 1, 2024, the requirement for certain professions and businesses to obtain a yearly privilege license pursuant to N.C. Gen. Stat. § 105-41 is repealed.
- What professions or businesses does the repeal of N.C. Gen. Stat. § 105-41 affect?
- What privilege taxes remain in effect?

Repeal of Privilege Tax on Professionals and Businesses:

Effective July 1, 2024, N.C. Gen. Stat. § 105-41 is repealed pursuant to Session Law [2023-134, s. 42.7\(a\)](#). North Carolina Gen. Stat. § 105-41 required “[e]very individual in this State who practices a profession or engages in a business and is included in the list [within the statute] must obtain from the Secretary a statewide license for the privilege of practicing the profession or engaging in the business.” As a result of the repeal, professionals and businesses previously required to obtain a yearly privilege license are no longer required to do so beginning July 1, 2024.

What professions or businesses does the repeal of N.C. Gen. Stat. § 105-41 affect?

Beginning July 1, 2024, professions or businesses identified in the chart below are no longer required to obtain a yearly privilege license. The chart may not reflect all specific professions and businesses.

Accountant	Engineer	Physician/Surgeon
Certified Public Accountant	Registered Land Surveyor	Podiatrist
Assistant Accountant	Landscape Architect	Psychologist
Architect	Naturopath	Real Estate Broker/Agent
Art of Healing	Ophthalmologist	Veterinarian
Attorney	Optician	Licensed Home Inspector
Chiroprapist	Optometrist	Funeral Director

Chiropractor	Osteopath	Funeral Services Licensee
Dentist	Photographer	Massage and Bodywork Therapist
Embalmer	Photographer's Agent	Real Estate Appraiser
Independent Bookkeeper	Photographer's Canvasser	Independent Physical Therapist

Individuals who practice a profession or engage in a business requiring a privilege license as listed in N.C. Gen. Stat. § 105-41 must still obtain the required privilege license for the current fiscal year that runs from July 1, 2023 through June 30, 2024. For those professionals or businesses required to obtain a privilege license for this fiscal year, use Form B-202A, Application for State Privilege License to report and pay 2023/2024 privilege tax. Form B-202A may be obtained from the Department's website at [B202A version 2 3-04 \(ncdor.gov\)](https://www.ncdor.gov/b202a-version-2-3-04).

What privilege taxes remain in effect?

Privilege taxes pursuant to N.C. Gen. Stat. § 105-83, which includes “[e]very person engaged in the business of dealing in buying , or discounting installment paper, notes, bonds, contracts, or evidences of debt for which, at the time of or in connection with the execution of the instruments, a lien is reserved or taken upon personal property located in this State to secure the payment of the obligations...” remain in effect. Additionally, privileges taxes pursuant to N.C. Gen. Stat. § 105-88, which includes “[e]very person, firm, or corporation engaged in any of the following businesses: (1) [t]he business of making loans or lending money, accepting liens on, or contracts of assignments of, salaries or wages, or any par thereof, or other security or evidence of debt for repayment of such loans in installment payment or otherwise; (2) [t]he business of check cashing regulated under Article 22 of Chapter 53 of the General Statutes; (3) [t]he business of pawnbroker regulated under Part 1 of Article 45 of Chapter 66 of the General Statutes,” also remain in effect.

Assistance

If you have any questions about this notice, you may call the Department at 1 (877) 252-3052 (8:00 am until 4:30 pm EDT, Monday through Friday).

To the extent there is any change in the rate or amount of tax, change to a 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, bulletin, or published guidance regarding the subject of this notice and issued prior to the date of this notice conflict with this important notice, the provisions contained in this important notice supersede the previous guidance.