

North Carolina Department of Revenue  
Post Office Box 25000  
Raleigh, North Carolina 27640-0001

## **IMPORTANT NOTICE: Form E-536, Schedule of County Sales and Use Taxes**

Form E-536, Schedule of County Sales and Use Taxes **will not** be mailed to taxpayers for use with filing periods beginning on or after October 1, 2009. As a courtesy, the Department has previously mailed a twelve-month supply of forms to a number of taxpayers. Please note the following:

- Taxpayers that previously filed the paper Form E-536 will be able to print the form at the website link: <http://www.dornrc.com/downloads/sales.html>
- Taxpayers that do not have access to the Internet should contact the Department at the number below and request the forms be mailed to them.
- Taxpayers that file using EDI or the Online Filing and Payment system will continue to utilize an electronic Form E-536 as part of the filing and payment process.
- Taxpayers that file with software developer forms will continue to utilize Form E-536 included in the software packages.

Form E-536, Schedule of County Sales and Use Taxes is required to be submitted along with sales and use tax returns filed by retailers or purchasers who are engaged in business in more than one county. Form E-536 is used to report the amount of local tax due for each county. The 2% food tax (applicable to food that is exempt from the State tax) is not listed on Form E-536 by county; however, the total 2% food tax for all counties is reflected on the form as a cumulative amount. The Mecklenburg Public Transit 0.50% tax is required to be reported on a separate line.

The following general sourcing principles are applicable to the sale of a product.

- Over-the-counter. - When a purchaser receives a product at the business location of the seller, the sale is sourced to that business location.
- Delivery to a specified address. - When a purchaser receives a product at a location specified by the purchaser and the location is not a business location of the seller, the sale is sourced to the county where the purchaser receives the product.
- Delivery address unknown. – When a seller of a product does not know the address where the product is received, the sale is sourced to the first address or location known to the seller as follows:
  - a. The business or home address of the purchaser.
  - b. The billing address of the purchaser or, if the product is prepaid wireless calling service, the location associated with the mobile telephone number.
  - c. The address from which tangible personal property was shipped or from which a service was provided.

Refer to G.S. 105-164.4B regarding exceptions for reporting the county tax applicable to periodic rental payments, telecommunications, and direct mail.

Questions about this notice can be directed to the Taxpayer Assistance and Collection Center at telephone number 1-877-252-3052 (toll-free) or in writing to the Taxpayer Assistance Division, North Carolina Department of Revenue P.O. Box 25000, Raleigh, N.C. 27640-0001.