



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

IMPORTANT NOTICE: SALES BY BAKERY THRIFT STORE

Effective July 1, 2014, sales of bread, rolls, and buns sold at a bakery thrift store are subject to the 4.75% general State and applicable local and transit rates of sales and use taxes. Prior to July 1, 2014, sales of bread, rolls, and buns at a bakery thrift store are subject to the 2.00% food tax rate. N.C. Gen. Stat § 105-164.13(27a), repealed as of July 1, 2014, defines "bakery thrift store" as a retail outlet of a bakery that sells at wholesale over ninety percent (90%) of the items it makes and sells at the retail outlet day-old bread, rolls, and buns returned to it by retailers that acquired these items from the bakery.

Tax Rates and Sourcing of Local Taxes

The general State, local and transit sales and use tax rates applicable to the sales price of bread, rolls, and buns sold at a bakery thrift store as of the date of this notice are 6.75% in seventy-three (73) counties; 7.00% in Alexander, Buncombe, Cabarrus, Catawba, Cumberland, Duplin, Edgecombe, Greene, Halifax, Haywood, Harnett, Hertford, Lee, Martin, Montgomery, New Hanover, Onslow, Pitt, Randolph, Robeson, Rowan, Sampson, Surry, and Wilkes Counties; 7.25% in Mecklenburg County; and 7.50% in Durham and Orange Counties.

Assistance

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