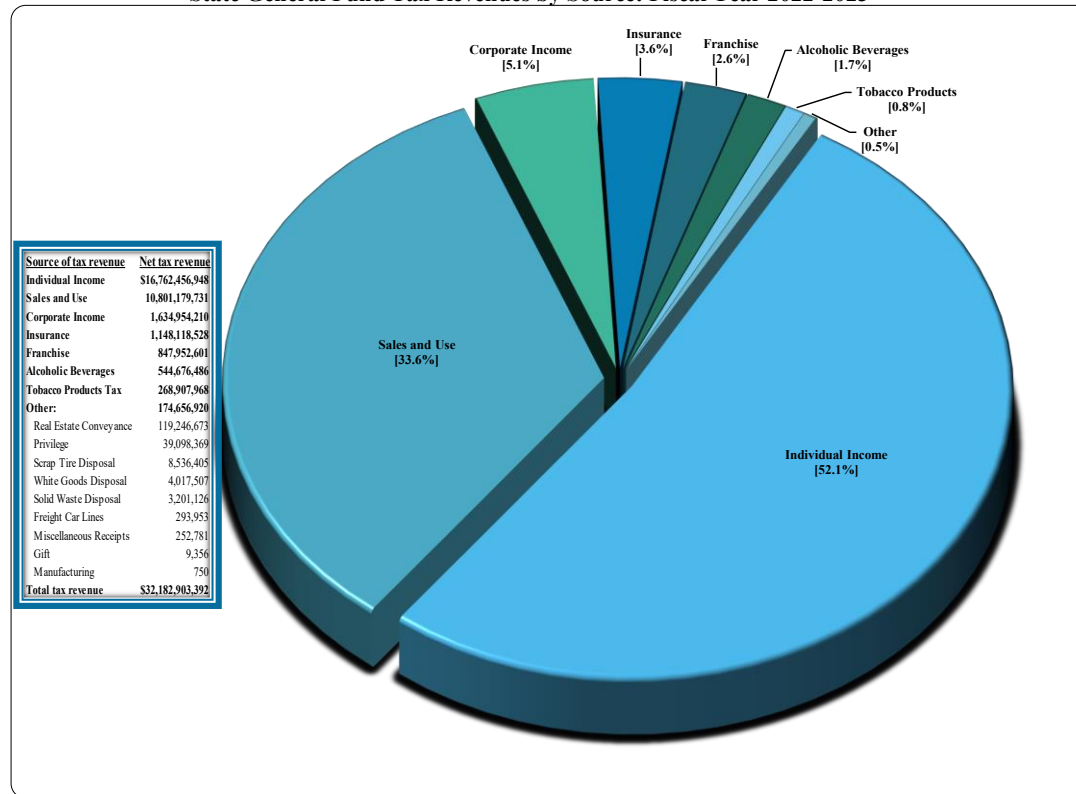


Statistical Abstract of North Carolina Taxes

2023

Advance Edition

State General Fund Tax Revenues by Source: Fiscal Year 2022-2023



Statistical Abstract of North Carolina Taxes
2023
Advance Edition

INTRODUCTION

The *Statistical Abstract of North Carolina Taxes* provides statistics concerning taxes imposed under the Revenue Laws of North Carolina. It is designed to give legislators, tax professionals, researchers, and other interested citizens of North Carolina information about the amount of taxes collected, classifications of taxpayers, and the geographic distribution of taxes. The *Statistical Abstract* includes both historical series of data and detailed reports for the most recent fiscal or tax year available. It was prepared by the Department of Revenue's Tax Processing, Research and Equity Division, based primarily on data recorded from individual and business tax forms in the Department's data systems.

The following actions relate to tax collection statistics reported in this publication for fiscal years 2019-2020 and 2020-2021:

On March 10, 2020, Governor Roy Cooper signed Executive Order 116 declaring a state of emergency in response to COVID-19. The Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020. This action effectively resulted in a shifting of the receipt of certain tax revenues from fiscal year 2019-2020 to fiscal year 2020-2021.

The relief from late action penalties applied to the following tax types:

Income and Franchise Tax;

Withholding Tax;

Sales and Use Tax;

Scrap Tire Disposal Tax;

White Goods Disposal Tax;

Motor Vehicle Lease and Subscription Tax;

911 Service Charge for Prepaid Telecommunications Service;

Dry-Cleaning Solvent Tax;

Primary Forest Products Tax;

Freight Car Line Companies; and

Various Taxes Administered by the Excise Tax Division: Privilege Tax; Tobacco Products Tax; Alcoholic Beverages Tax; and various Motor Fuel Taxes

Refer to important notices for information pertaining to COVID-19 tax relief provisions accessible at [NCDOR: NCDOR Actions on COVID-19](#).

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PART I. TAXES AND NORTH CAROLINA GROSS DOMESTIC PRODUCT

TABLE 1. STATE IMPOSED TAXES AS A PERCENTAGE OF NORTH CAROLINA GDP

Fiscal year	NC GDP [current dollars] [calendar year basis]		NC Personal Income [calendar year basis]		State imposed tax collections [July - June (fiscal year basis)]							State imposed taxes as percent of NC GDP	
	Amount [\$]	YoY percent change %	Amount [\$]	YoY percent change %	General tax collections			Unemployment tax collections			State imposed tax collections amount [\$]		YoY percent change %
					Amount [\$]	YoY percent change %	as percent of NC GDP	Amount [\$]	YoY percent change %	as percent of NC GDP			
2008-2009†	418,793,400,000	4.31%	351,637,500,000	7.24%	19,587,322,067	-10.32%	4.68%	854,488,282	-7.60%	0.20%	20,441,810,349	-10.21%	4.88%
2009-2010...	411,155,800,000	-1.82%	339,441,500,000	-3.47%	20,595,809,986	5.15%	5.01%	814,236,345	-4.71%	0.20%	21,410,046,331	4.74%	5.21%
2010-2011....	420,027,600,000	2.16%	343,104,300,000	1.08%	21,464,738,702	4.22%	5.11%	1,000,330,096	22.86%	0.24%	22,465,068,798	4.93%	5.35%
2011-2012....	431,722,700,000	2.78%	355,001,600,000	3.47%	21,766,906,777	1.41%	5.04%	1,258,724,812	25.83%	0.29%	23,025,631,589	2.50%	5.33%
2012-2013....	445,095,300,000	3.10%	377,867,200,000	6.44%	22,807,425,837	4.78%	5.12%	1,277,126,110	1.46%	0.29%	24,084,551,946	4.60%	5.41%
2013-2014....	462,268,900,000	3.86%	373,140,600,000	-1.25%	22,418,023,662	-1.71%	4.85%	1,378,171,071	7.91%	0.30%	23,796,194,734	-1.20%	5.15%
2014-2015....	483,191,300,000	4.53%	393,886,100,000	5.56%	23,918,573,851	6.69%	4.95%	1,388,047,810	0.72%	0.29%	25,306,621,661	6.35%	5.24%
2015-2016....	508,928,700,000	5.33%	414,760,400,000	5.30%	24,920,017,610	4.19%	4.90%	1,251,892,070	-9.81%	0.25%	26,171,909,680	3.42%	5.14%
2016-2017....	526,029,800,000	3.36%	429,054,900,000	3.45%	25,432,395,151	2.06%	4.83%	1,048,249,845	-16.27%	0.20%	26,480,644,997	1.18%	5.03%
2017-2018....	546,810,100,000	3.95%	449,817,700,000	4.84%	26,393,675,076	3.78%	4.83%	679,406,437	-35.19%	0.12%	27,073,081,513	2.24%	4.95%
2018-2019....	568,037,300,000	3.88%	473,093,300,000	5.17%	27,807,566,735	5.36%	4.90%	524,222,968	-22.84%	0.09%	28,331,789,703	4.65%	4.99%
2019-2020††	593,126,900,000	4.42%	501,587,200,000	6.02%	26,803,714,273	-3.61%	4.52%	531,526,635	1.39%	0.09%	27,335,240,908	-3.52%	4.61%
2020-2021††	601,148,700,000	1.35%	541,078,000,000	7.87%	33,054,550,537	23.32%	5.50%	545,291,315	2.59%	0.09%	33,599,841,852	22.92%	5.59%
2021-2022....	659,529,300,000	9.71%	599,133,500,000	10.73%	36,759,704,080	11.21%	5.57%	642,205,309	17.77%	0.10%	37,401,909,389	11.32%	5.67%
2022-2023....	715,968,300,000	8.56%	621,705,600,000	3.77%	37,165,535,658	1.10%	5.19%	733,949,412	14.29%	0.10%	37,899,485,071	1.33%	5.29%

NC GDP-measure of the market value of the final goods and services produced by the labor and property within the State. NC GDP and NC personal income data are for the calendar year preceding the fiscal year designation: calendar year 2008 data are paired with tax collection data for fiscal year 2008-2009.

State imposed taxes include all taxes imposed under Chapter 105 of the Revenue Laws of North Carolina including the 3% highway use tax, 3% motor vehicle lease tax, motor fuels taxes (including gasoline and oil inspection fees), related taxes imposed under other statutes, and payroll (unemployment insurance) taxes imposed under Chapter 96 of the North Carolina General Statutes. Motor vehicle registrations, driver licenses, and various other state licenses and fees are excluded. Tax amounts are net collections before deduction of local shares, certain reimbursements to local governments, and transfers to special funds.

†Reflects US business cycle contraction [December 2007-June 2009]. ††Reflects US business cycle contraction [February 2020-April 2020] as result of the pandemic and public health response. In response to the pandemic, the Secretary of Revenue and the 2020 NC General Assembly provided various forms of tax relief to include a deferral of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due in fiscal year 2019-2020; this action effectively resulted in a shifting of the receipt of certain general tax collections from the fiscal year ended in June 2020 to the fiscal year ended in June 2021.

Sources: U.S. Bureau of Economic Analysis, *SAGDP1 State Annual Gross Domestic Product (GDP) Summary*, March 29, 2024 update; North Carolina Employment Security Commission, Unemployment taxes.

U.S. Bureau of Economic Analysis, *SAINCI State Annual Personal Income Summary: Personal Income, Population, Per Capita Personal Income*, March 29, 2024 update.

Figure 1.1 North Carolina GDP Compared to State Tax Revenue

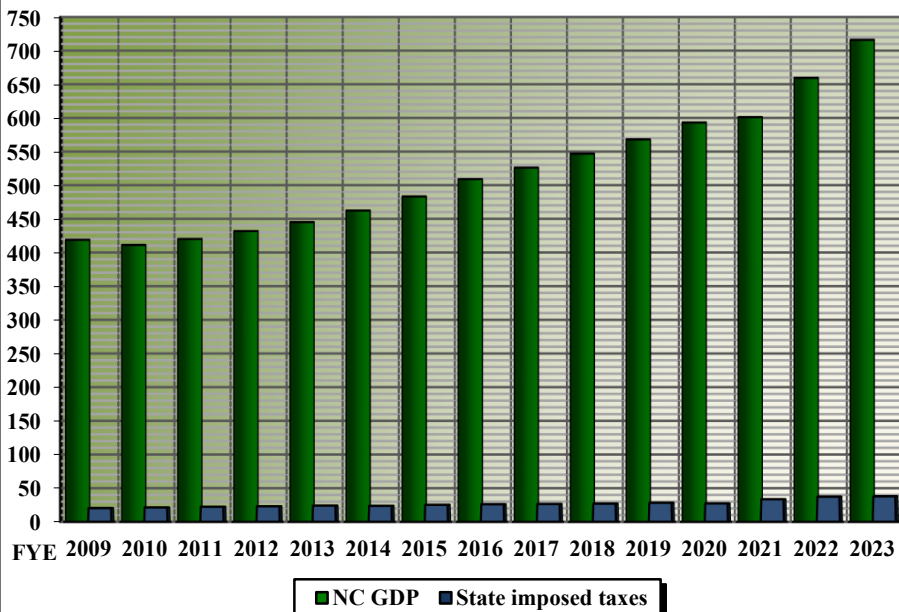


Figure 1.2 State Imposed Taxes as a Percentage of NC GDP

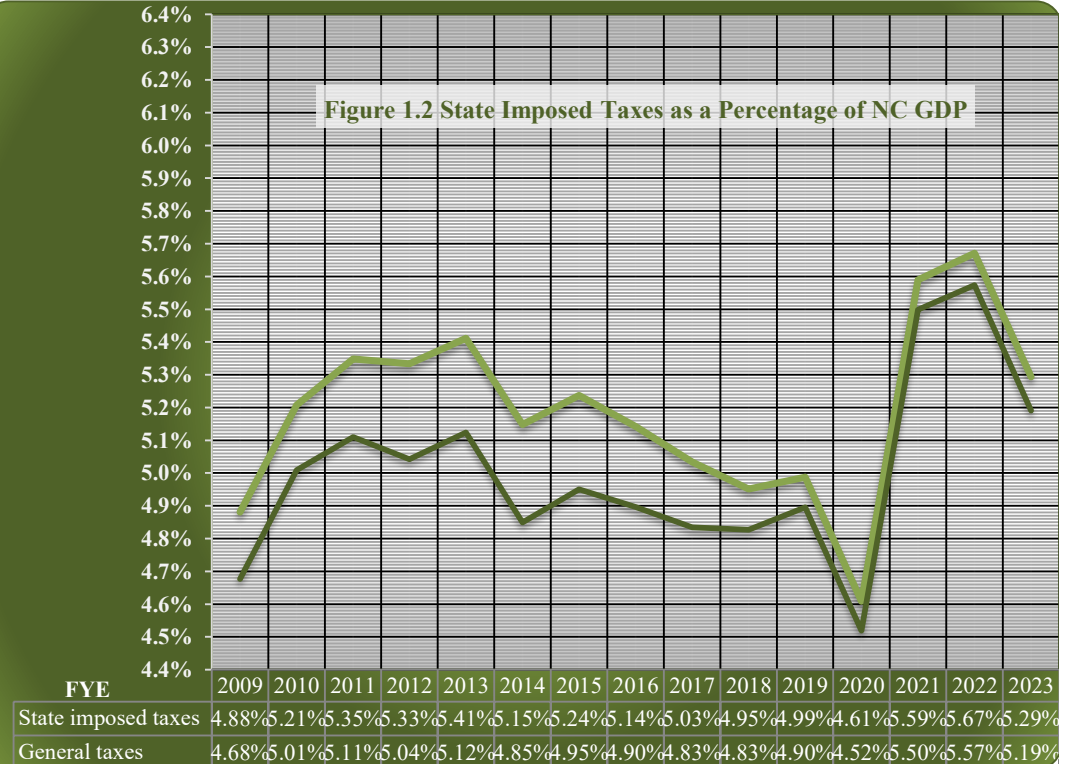
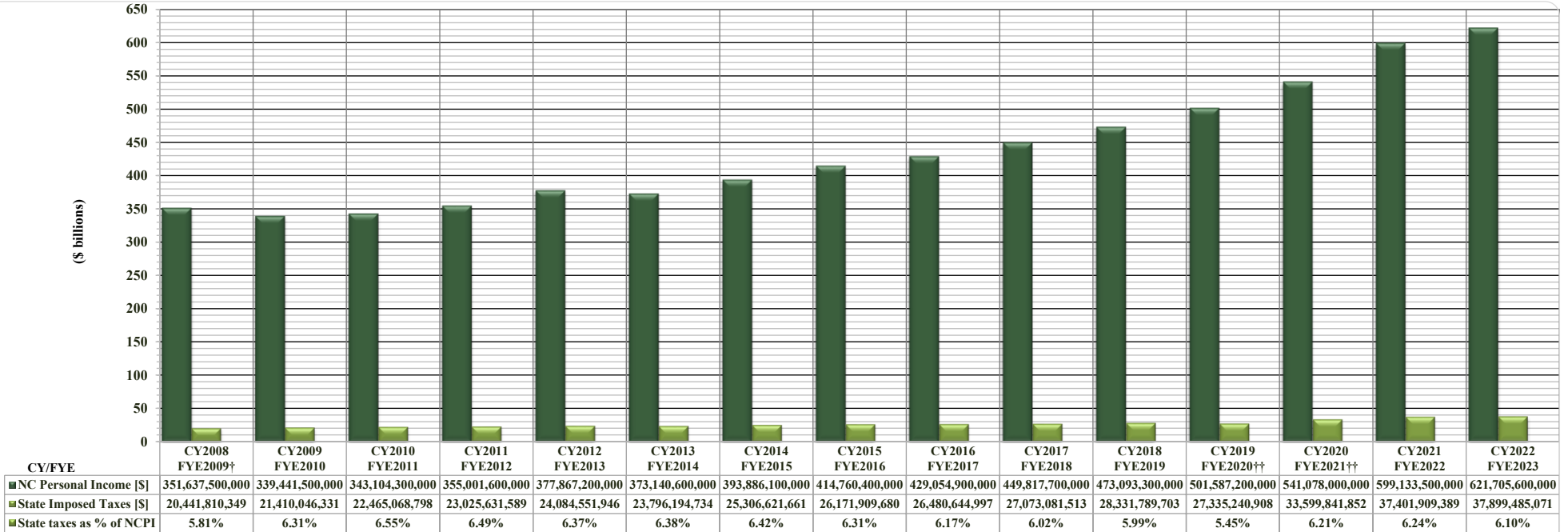


Figure 1.3 NC Personal Income and State Imposed Taxes Comparison

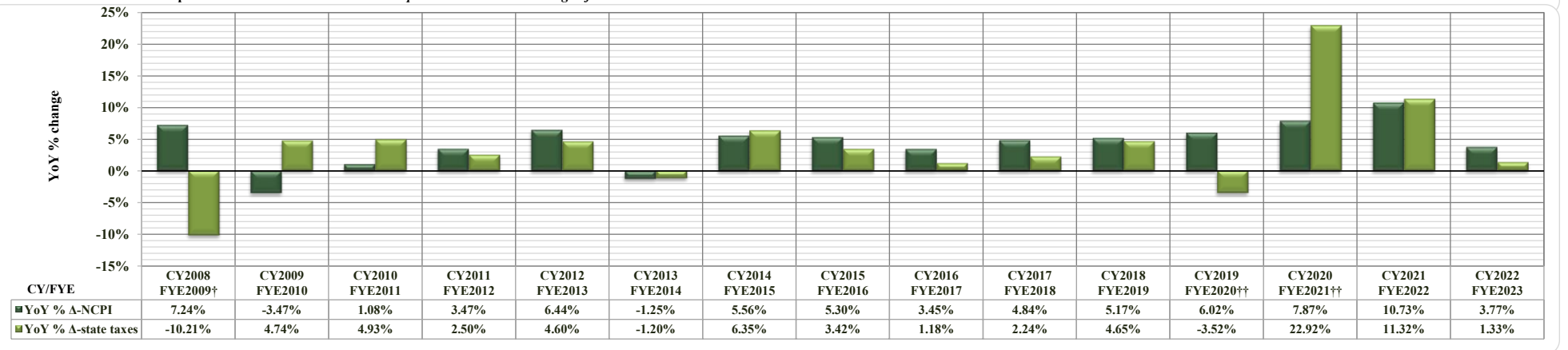
The top chart compares NC personal income [NCPI] and state imposed taxes collection levels. NC personal income is for the calendar year preceding the fiscal year ended (year shown). State imposed taxes collection levels are measured on a fiscal year basis. Example: the NC personal income of \$351.6 billion for calendar year 2008 is paired with the state imposed taxes collection level of \$20.4 billion for the fiscal year ended in 2009.

The bottom chart compares the year-over-year percentage change in NC personal income and state imposed taxes collection levels. NC personal income % change is for the calendar year preceding the fiscal year ended (year shown). State imposed taxes collection level % change is measured on a fiscal year basis. Example: the NC personal income % increase of 7.24% for calendar year 2008 is paired with the state imposed taxes collection level % decrease of 10.21% for the fiscal year ended in 2009.



Source of NC personal income: U.S. Bureau of Economic Analysis, *SAINCI State Annual Personal Income Summary: Personal Income, Population, Per Capita Personal Income*, March 29, 2024 update.

Source of state imposed taxes: refer to Table 1. *State Imposed Taxes as a Percentage of North Carolina GDP*



†Reflects US business cycle contraction [December 2007-June 2009]. ††Reflects US business cycle contraction [February 2020-April 2020] as result of the pandemic and public health response. In response to the pandemic, the Secretary of Revenue and the 2020 NC General Assembly provided various forms of tax relief to include a deferral of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due in fiscal year 2019-2020; this action effectively resulted in a shifting of the receipt of certain general tax collections from the fiscal year ended in June 2020 to the fiscal year ended in June 2021.

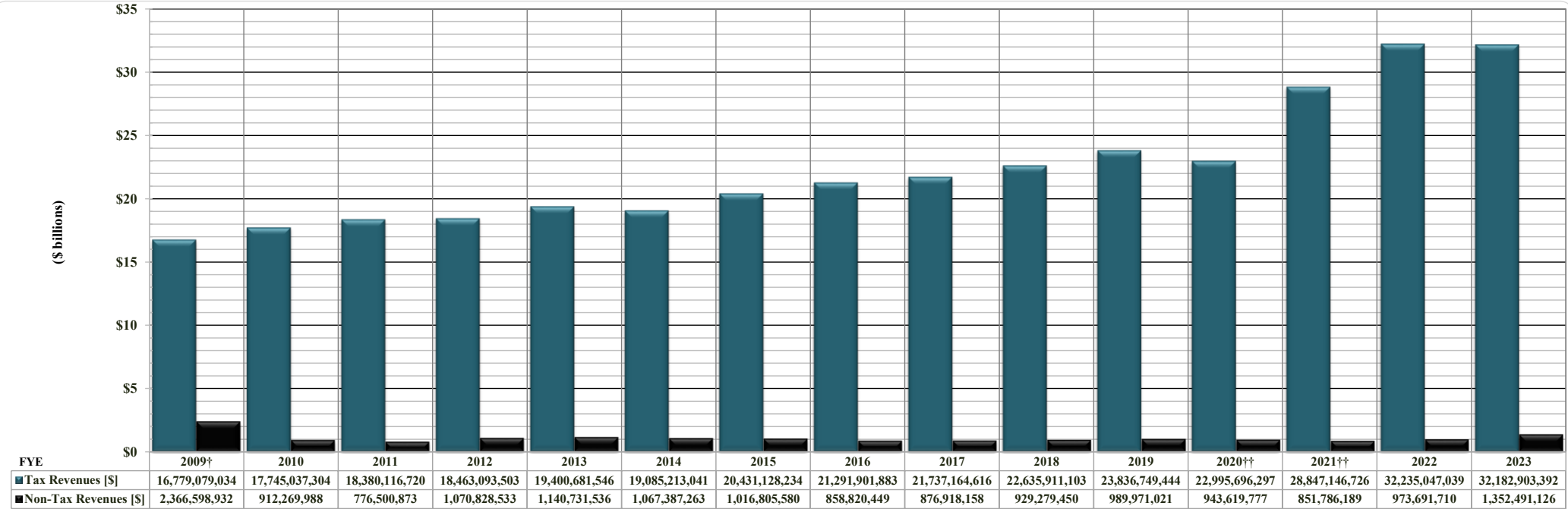
PART II. SUMMARY OF STATE GENERAL FUND REVENUE COLLECTIONS

Figure 2.0 State General Fund Revenues: Tax and Non-Tax

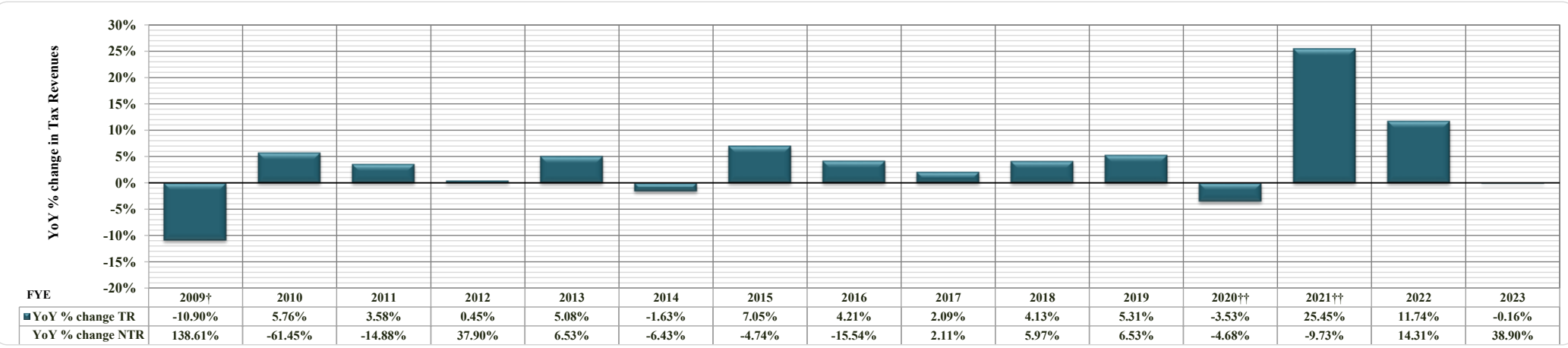
Tax Revenues—Amounts credited to the General Fund after deduction of refunds; local shares of utility franchise taxes, piped natural gas excise tax, utility sales taxes (electricity, gas, telecommunications, and video programming), disposal taxes (white goods, scrap tire, and solid waste), and alcoholic beverages taxes; certain reimbursements to local governments; and transfers to special funds. [Refer to *Table 2. State General Fund: Tax Revenues By Source* for details.]

Non-Tax Revenues—Amounts credited to the General Fund include earnings, fees, receipts, and transfers: income from treasurer’s investments; judicial department receipts; Secretary of State fees; insurance department receipts; disproportionate share payments; Master Settlement Agreement Funds; and various statutory intrastate fund transfers. [Refer to *Table 3. State General Fund: Non-Tax Revenues And Transfers By Source* for details.]

Source: OSC Statement of General Fund Revenues



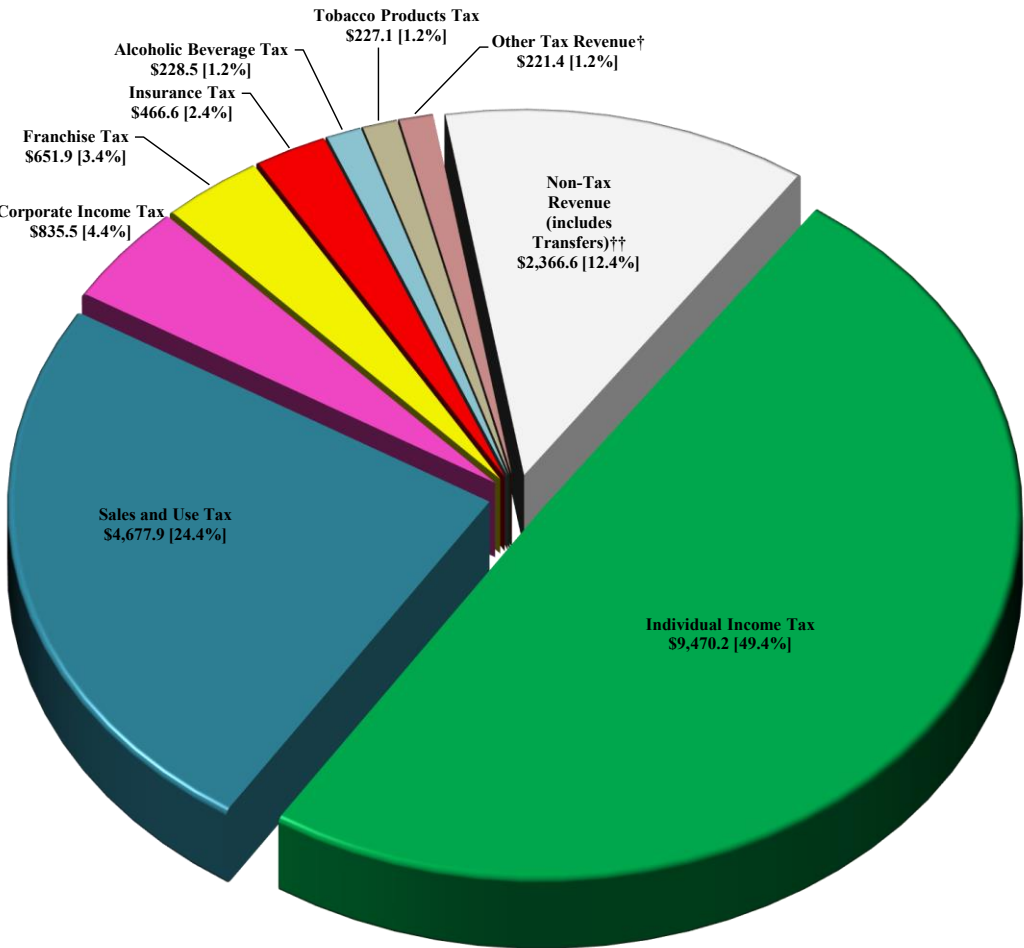
†Reflects US business cycle contraction [December 2007- June 2009]. Non-tax revenues include \$801,987,570 from Executive Order #6 and \$680,377,613 in Stabilization Funds due to the budgetary situation.
 ††Reflects US business cycle contraction [February 2020-April 2020] as result of the pandemic and public health response. The Secretary of Revenue and the 2020 NC General Assembly provided various forms of tax relief to include a deferral of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due in fiscal year 2019-2020; this action effectively resulted in a shifting of the receipt of certain general tax collections from the fiscal year ended in June 2020 to the fiscal year ended in June 2021.



GENERAL FUND REVENUES [TAX AND NON-TAX] BY SOURCE AS A PERCENTAGE OF TOTAL GENERAL FUND REVENUE COMPARISON: FISCAL YEARS 2008-2009 and 2022-2023

[Charts reflect tax revenue credited to the General Fund after deduction of refunds; local shares of state taxes; certain reimbursements to local governments; intergovernmental transfers; and non-tax revenue.]

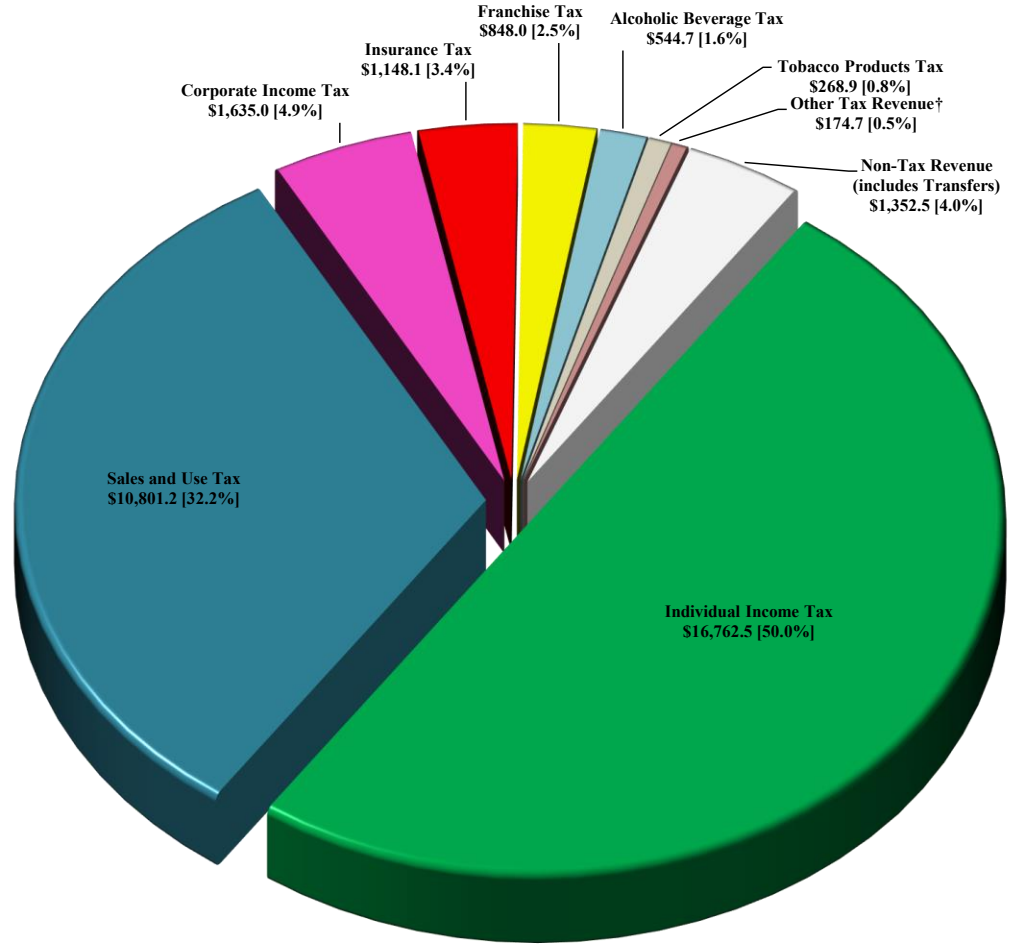
Figure 2.1 Fiscal Year 2008-2009
[amounts in \$ millions]



†Other tax revenue category includes Estate Tax, \$104.3M; Privilege License Tax, \$37.5M; Manufacturing Tax, \$32.9M; Piped Natural Gas Tax, \$34.2M; Gift Tax, \$12.3M; Freight Car Lines Tax, \$0.2M; and Miscellaneous Tax Receipts, \$0.0M.

††Non-Tax Revenue category includes \$802.0M from Executive Order #6, \$680.4M in Stabilization Funds due to the budgetary situation, and \$57.4M from the Appropriation Bill. Stabilization Funds include \$150.9M from the American Reinvestment and Recovery Act of 2009.

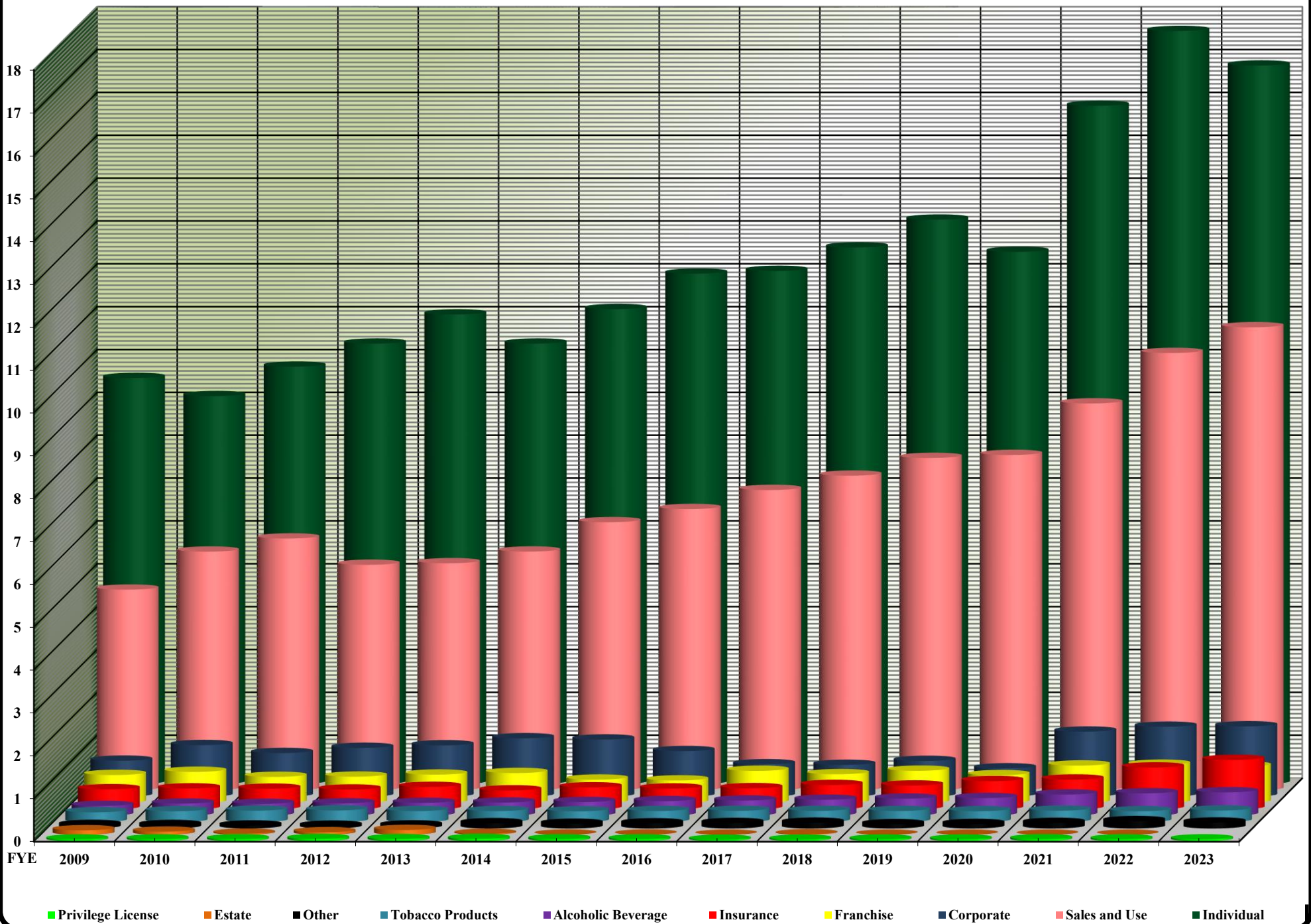
Figure 2.2 Fiscal Year 2022-2023
[amounts in \$ millions]



†Other tax revenue category includes Real Estate Conveyance Tax, \$119.2M; Privilege License Tax, \$39.1M; Scrap Tire Disposal Tax, \$8.5M; White Goods Disposal Tax, \$4.0M; Solid Waste Disposal Tax, \$3.2M; Freight Car Lines Tax, \$0.3M; Miscellaneous Tax Receipts, \$0.3M; Gift Tax, \$0.0M; and Manufacturing Tax, \$0.0M.

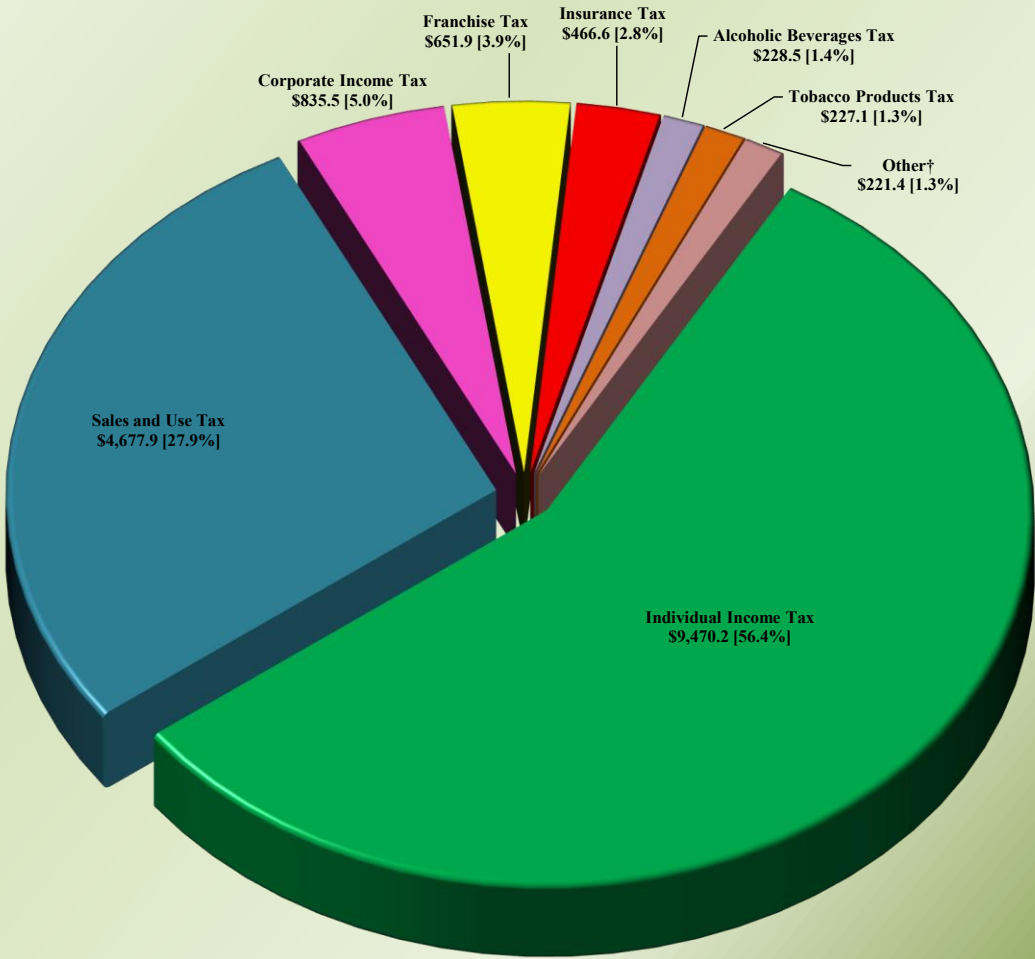
Figure 2.3 Fifteen-Year Trend in North Carolina General Fund Tax Revenues by Major Sources

(\$ billions)



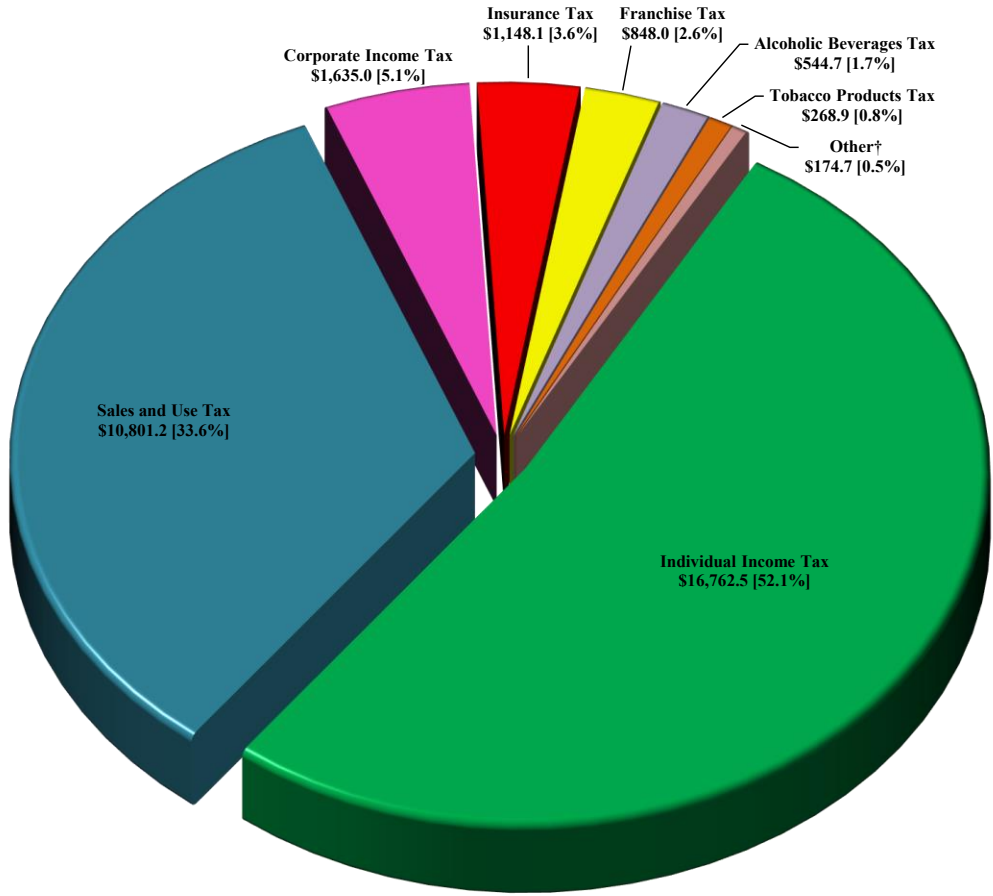
GENERAL FUND TAX REVENUES BY SOURCE AS A PERCENTAGE OF TOTAL GENERAL FUND TAX REVENUE COMPARISON: FISCAL YEARS 2008-2009 and 2022-2023
 [Charts reflect tax revenues credited to the General Fund after deduction of refunds; local shares of state taxes; certain reimbursements to local governments; and intergovernmental transfers.]

Figure 2.4 Fiscal Year 2008-2009
 [amounts in \$ millions]



†Other category includes Estate Tax, \$104.3M; Privilege License Tax, \$37.5M; Manufacturing Tax, \$32.9M; Piped Natural Gas Tax, \$34.2M; Gift Tax, \$12.3M; Freight Car Lines Tax, \$0.2M; and Miscellaneous Tax Receipts, \$0.0M.

Figure 2.5 Fiscal Year 2022-2023
 [amounts in \$ millions]



†Other category includes Real Estate Conveyance Tax, \$119.2M; Privilege License Tax, \$39.1M; Scrap Tire Disposal Tax, \$8.5M; White Goods Disposal Tax, \$4.0M; Solid Waste Disposal Tax, \$3.2M; Freight Car Lines Tax, \$0.3M; Severance Tax, \$0.2M; Miscellaneous Tax Receipts, \$0.03M; Gift Tax, \$0.0M; Manufacturing Tax, \$0.0M

TABLE 2. STATE GENERAL FUND: TAX REVENUES BY SOURCE

Sources of revenue	Fiscal Year									
	2008-2009		2009-2010		2010-2011		2011-2012		2012-2013	
	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total
Estate Tax.....	104,256,014	0.54%	71,905,766	0.39%	23,755,446	0.12%	58,102,538	0.30%	111,430,080	0.54%
Privilege License Tax.....	37,515,608	0.20%	39,196,662	0.21%	41,347,664	0.22%	48,543,571	0.25%	46,112,081	0.22%
Tobacco Products Tax.....	227,056,891	1.19%	251,730,957	1.35%	265,270,142	1.38%	270,900,735	1.39%	255,400,938	1.24%
Franchise Tax.....	651,938,670	3.41%	724,451,377	3.88%	607,500,353	3.17%	612,527,735	3.14%	660,141,126	3.21%
Income Taxes:										
Individual Income Tax.....	9,470,172,885	49.46%	9,047,605,408	48.49%	9,734,868,036	50.82%	10,272,136,381	52.59%	10,953,140,820	53.32%
Corporate Income Tax.....	835,544,512	4.36%	1,197,865,423	6.42%	1,013,546,433	5.29%	1,132,871,164	5.80%	1,191,730,504	5.80%
Total income taxes.....	10,305,717,397	53.83%	10,245,470,831	54.91%	10,748,414,469	56.11%	11,405,007,545	58.39%	12,144,871,325	59.12%
Sales and Use Tax.....	4,677,947,376	24.43%	5,565,043,256	29.83%	5,871,669,069	30.65%	5,257,585,406	26.92%	5,294,146,987	25.77%
Alcoholic Beverage Tax.....	228,458,572	1.19%	282,316,942	1.51%	275,193,609	1.44%	287,363,097	1.47%	298,639,842	1.45%
Gift Tax.....	12,291,039	0.06%	12,028,801	0.06%	2,963,637	0.02%	159,977	0.00%	817,951	0.00%
Freight Car Lines Tax.....	183,472	0.00%	345,414	0.00%	370,786	0.00%	408,762	0.00%	325,798	0.00%
Insurance Tax.....	466,601,945	2.44%	486,848,660	2.61%	480,134,608	2.51%	460,440,592	2.36%	521,509,351	2.54%
Piped Natural Gas Tax*.....	34,240,028	0.18%	33,794,094	0.18%	30,995,454	0.16%	25,861,167	0.13%	30,411,586	0.15%
Real Estate Conveyance Tax**.....	-	-	-	-	-	-	-	-	-	-
White Goods Disposal Tax***.....	-	-	-	-	-	-	-	-	-	-
Scrap Tire Disposal Tax†.....	-	-	-	-	-	-	-	-	-	-
Manufacturing Tax††.....	32,865,620	0.17%	31,897,136	0.17%	32,496,612	0.17%	36,182,589	0.19%	36,861,312	0.18%
Solid Waste Disposal Tax†††.....	-	-	-	-	-	-	-	-	-	-
Miscellaneous Tax Receipts.....	6,402	0.00%	7,408	0.00%	4,870	0.00%	9,788	0.00%	13,170	0.00%
Total Tax Revenue.....	16,779,079,034	87.64%	17,745,037,304	95.11%	18,380,116,720	95.95%	18,463,093,503	94.52%	19,400,681,546	94.45%
Total Non-tax Revenue & Transfers..	2,366,598,932	12.36%	912,269,988	4.89%	776,500,873	4.05%	1,070,828,533	5.48%	1,140,731,536	5.55%
Total General Fund Revenue.....	19,145,677,966	100.00%	18,657,307,292	100.00%	19,156,617,593	100.00%	19,533,922,036	100.00%	20,541,413,082	100.00%

Sources of revenue	Fiscal Year									
	2013-2014		2014-2015		2015-2016		2016-2017		2017-2018	
	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total
Estate Tax.....	19,275,568	0.10%	2,989,335	0.01%	4,358,180	0.02%	709,623	0.00%	10,624,179	0.05%
Privilege License Tax.....	49,954,683	0.25%	41,066,599	0.19%	39,925,452	0.18%	29,354,173	0.13%	32,431,907	0.14%
Tobacco Products Tax.....	255,532,320	1.27%	248,534,095	1.16%	257,433,563	1.16%	261,751,586	1.16%	260,291,576	1.10%
Franchise Tax.....	697,012,493	3.46%	544,122,153	2.54%	524,368,294	2.37%	748,077,119	3.31%	669,046,241	2.84%
Income Taxes:										
Individual Income Tax.....	10,272,358,828	50.97%	11,078,522,431	51.65%	11,905,157,743	53.75%	11,969,650,952	52.93%	12,517,540,917	53.12%
Corporate Income Tax.....	1,356,856,207	6.73%	1,327,688,128	6.19%	1,058,215,438	4.78%	752,173,350	3.33%	739,045,213	3.14%
Total income taxes.....	11,629,215,034	57.71%	12,406,210,560	57.84%	12,963,373,181	58.52%	12,721,824,302	56.26%	13,256,586,129	56.25%
Sales and Use Tax.....	5,566,518,176	27.62%	6,252,023,175	29.15%	6,559,483,149	29.61%	7,003,963,702	30.97%	7,337,447,300	31.14%
Alcoholic Beverage Tax.....	305,994,895	1.52%	318,729,834	1.49%	340,096,582	1.54%	353,603,883	1.56%	371,120,312	1.57%
Gift Tax.....	524,891	0.00%	211,789	0.00%	3,553	0.00%	2,864	0.00%	43,153	0.00%
Freight Car Lines Tax.....	294,799	0.00%	287,893	0.00%	256,950	0.00%	244,893	0.00%	306,605	0.00%
Insurance Tax.....	440,922,114	2.19%	510,676,294	2.38%	485,088,157	2.19%	492,097,802	2.18%	566,105,324	2.40%
Piped Natural Gas Tax*.....	30,390,149	0.15%	-	-	-	-	-	-	-	-
Real Estate Conveyance Tax**.....	45,333,609	0.22%	55,521,104	0.26%	60,968,254	0.28%	67,466,758	0.30%	72,927,494	0.31%
White Goods Disposal Tax***.....	1,514,356	0.01%	1,971,588	0.01%	2,136,296	0.01%	2,495,894	0.01%	3,948,403	0.02%
Scrap Tire Disposal Tax†.....	5,046,243	0.03%	5,341,147	0.02%	5,646,467	0.03%	5,759,441	0.03%	5,804,618	0.02%
Manufacturing Tax††.....	35,522,329	0.18%	41,115,193	0.19%	46,412,229	0.21%	47,336,810	0.21%	46,714,244	0.20%
Solid Waste Disposal Tax†††.....	2,145,380	0.01%	2,308,107	0.01%	2,335,446	0.01%	2,462,654	0.01%	2,463,581	0.01%
Miscellaneous Tax Receipts.....	16,002	0.00%	19,368	0.00%	16,130	0.00%	13,114	0.00%	50,040	0.00%
Total Tax Revenue.....	19,085,213,041	94.70%	20,431,128,234	95.26%	21,291,901,883	96.12%	21,737,164,616	96.12%	22,635,911,103	96.06%
Total Non-tax Revenue & Transfers..	1,067,387,263	5.30%	1,016,805,580	4.74%	858,820,449	3.88%	876,918,158	3.88%	929,279,450	3.94%
Total General Fund Revenue.....	20,152,600,304	100.00%	21,447,933,814	100.00%	22,150,722,332	100.00%	22,614,082,774	100.00%	23,565,190,553	100.00%

TABLE 2. -Continued

Sources of revenue	Fiscal Year									
	2018-2019		2019-2020		2020-2021		2021-2022		2022-2023	
	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total
Estate Tax.....	388,896	0.00%	1,168,439	0.00%	32,327	0.00%	173,009	0.00%	-	-
Privilege License Tax.....	35,380,243	0.14%	35,139,802	0.15%	41,245,374	0.14%	38,396,085	0.12%	39,098,369	0.12%
Tobacco Products Tax.....	257,163,750	1.04%	251,945,610	1.05%	265,173,767	0.89%	251,570,313	0.76%	268,907,968	0.80%
Franchise Tax.....	749,623,570	3.02%	645,950,515	2.70%	869,825,839	2.93%	888,282,635	2.67%	847,952,601	2.53%
Income Taxes:										
Individual Income Tax.....	13,165,953,194	53.03%	12,414,699,339	51.86%	15,822,560,570	53.28%	17,567,612,870	52.90%	16,762,456,948	49.98%
Corporate Income Tax.....	830,454,523	3.35%	657,759,371	2.75%	1,511,456,066	5.09%	1,625,838,651	4.90%	1,634,954,210	4.88%
Total income taxes.....	13,996,407,717	56.38%	13,072,458,709	54.61%	17,334,016,635	58.37%	19,193,451,521	57.80%	18,397,411,158	54.86%
Sales and Use Tax.....	7,751,295,817	31.22%	7,820,595,054	32.67%	9,023,590,536	30.38%	10,200,703,015	30.72%	10,801,179,731	32.21%
Alcoholic Beverage Tax.....	395,860,876	1.59%	410,611,503	1.72%	492,591,588	1.66%	521,200,049	1.57%	544,676,486	1.62%
Gift Tax.....	92,766	0.00%	79,363	0.00%	2,600	0.00%	40,183	0.00%	9,356	0.00%
Freight Car Lines Tax.....	258,645	0.00%	240,566	0.00%	212,721	0.00%	274,004	0.00%	293,953	0.00%
Insurance Tax.....	553,678,933	2.23%	656,153,555	2.74%	692,648,073	2.33%	972,343,463	2.93%	1,148,118,528	3.42%
Piped Natural Gas Tax*.....	-	-	-	-	-	-	-	-	-	-
Real Estate Conveyance Tax**.....	80,358,024	0.32%	87,890,999	0.37%	113,615,741	0.38%	152,826,301	0.46%	119,246,673	0.36%
White Goods Disposal Tax***.....	2,886,005	0.01%	3,315,756	0.01%	3,628,939	0.01%	3,899,009	0.01%	4,017,507	0.01%
Scrap Tire Disposal Tax†.....	6,140,433	0.02%	6,054,794	0.03%	6,495,773	0.02%	7,494,974	0.02%	8,536,405	0.03%
Manufacturing Tax††.....	4,341,211	0.02%	1,075,424	0.00%	1,092,398	0.00%	1,276,934	0.00%	750	0.00%
Solid Waste Disposal Tax†††.....	2,799,344	0.01%	2,881,772	0.01%	2,890,958	0.01%	2,957,690	0.01%	3,201,126	0.01%
Miscellaneous Tax Receipts.....	73,214	0.00%	134,438	0.00%	83,457	0.00%	157,854	0.00%	252,781	0.00%
Total Tax Revenue.....	23,836,749,444	96.01%	22,995,696,297	96.06%	28,847,146,726	97.13%	32,235,047,039	97.07%	32,182,903,392	95.97%
Total Non-tax Revenue & Transfers..	989,971,021	3.99%	943,619,777	3.94%	851,786,189	2.87%	973,691,710	2.93%	1,352,491,126	4.03%
Total General Fund Revenue.....	24,826,720,465	100.00%	23,939,316,075	100.00%	29,698,932,915	100.00%	33,208,738,749	100.00%	33,535,394,519	100.00%

Source: OSC Statement of General Fund Revenues

Amounts shown are revenues credited to the General Fund after deduction of refunds; local shares of utility franchise taxes, piped natural gas excise tax, utility sales taxes (electricity, gas, telecommunications, and video programming), disposal taxes (white goods, scrap tire, and solid waste), and alcoholic beverages taxes; certain reimbursements to local governments; and statutory transfers to special funds.

Estate Tax. The inheritance tax was repealed effective January 1, 1999, and applied to the estates of decedents dying on or after that date; the estate tax was retained. Revenue amounts shown for estates of decedents dying prior to the repeal date are a combination of inheritance taxes and supplementary estate taxes. The North Carolina estate tax was repealed effective for the estates of decedents whose death occurred during the January 1, 2010 through December 31, 2010 period and reinstated effective for the estates of decedents whose death occurred on or after January 1, 2011 provided a federal return is required. SL 2013-316, s.7.(a) repeals the estate tax effective for the estates of decedents dying on or after January 1, 2013.

Soft Drink Tax. Repealed effective July 1, 1999.

Gift Tax. Repealed effective for tax years beginning on or after January 1, 2009.

Intangibles Tax. Repealed effective for tax years beginning on or after January 1, 1995.

***Piped Natural Gas Tax.** Effective July 1, 1999, sales of piped natural gas became subject to the piped natural gas excise tax (previously subject to sales and franchise taxes).

SL 2013-316, s. 4.1(d) repeals the piped natural gas tax effective July 1, 2014; gross receipts billed on or after this date are subject to the 7% combined general rate of sales and use tax under § 105-164.4(a)(9) (reduced 3.5% rate provision applies to gas cities for a one-year transitional period).

****Real Estate Conveyance Tax.** Effective July 1, 1996, the statute was rewritten to delete the crediting of proceeds to the General Fund, instead allocating 25% of the proceeds to the Natural Heritage Trust Fund and the remaining 75% to the Parks and Recreation Trust Fund. SL 2011-145, s. 2.2.(h) and (i) provide that certain net proceeds otherwise credited to the Natural Heritage and Parks and Recreation Trust Funds be deposited in the General Fund for fiscal year 2011-12.

SL 2013-360, s. 14.4.(a) directs the State's proceeds of the deed stamp tax to be credited to the General Fund effective July 1, 2013.

*****White Goods Disposal Tax.** For fiscal years 2001-02, 2010-11, and 2011-12, certain portions of the white goods disposal tax were required to be credited to the General Fund:

for fiscal year 2001-02, the proceeds were credited to the General Fund as tax revenue; for fiscal years 2010-11 and 2011-12, the proceeds were credited to the General Fund as intra state transfers. SL 2013-360, s. 14.17.(a) directs twenty-eight percent (28%) of the net tax proceeds to be credited to the General Fund effective August 1, 2013.

†**Scrap Tire Disposal Tax.** For fiscal years 2001-02, 2010-11, and 2011-12, certain portions of the scrap tire disposal tax were required to be credited to the General Fund:

for fiscal year 2001-02, the proceeds were credited to the General Fund as tax revenue; for fiscal years 2010-11 and 2011-12, the proceeds were credited to the General Fund as intra state transfers. SL 2013-360, s. 14.16.(a) directs thirty percent (30%) of the net tax proceeds to be credited to the General Fund effective July 1, 2013.

††**Certain Machinery and Equipment Tax.** Effective January 1, 2006, transactions of certain machinery and equipment and manufacturing fuel were exempted from State sales and use taxes imposed on the seller and, concurrently, made subject to a privilege tax imposed on the purchaser; fuel purchased by a manufacturing industry or plant for qualifying purposes was subject to a series of rate reductions prior to receiving full exemption status effective for transactions made on or after July 1, 2010.

The Current Operations Appropriations Act of 2017 (SL 2017-57) repeals Article 5F of Chapter 105 [the one-percent (1%) privilege tax on mill machinery and mill machinery parts and accessories] effective for purchases made on or after July 1, 2018; applicable purchases continue to be exempt from the sales and use tax.

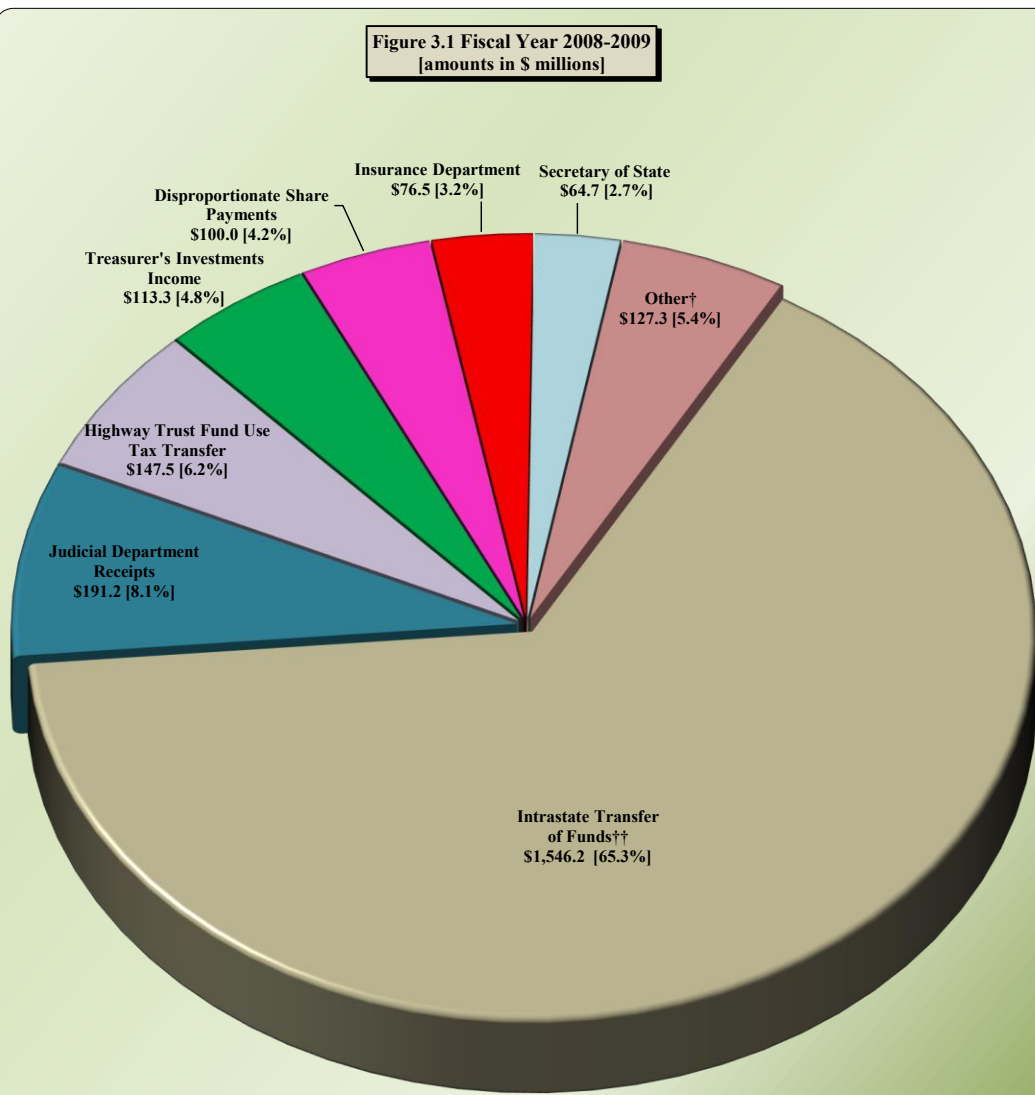
†††**Solid Waste Disposal Tax.** SL 2013-360, s. 14.18.(a) directs twelve and one-half percent (12.5%) of the distributable tax proceeds to be credited to the General Fund effective July 1, 2013.

Refer to tables and charts for a specific tax schedule for details pertaining to tax rates, tax structure, and other information affecting collections.

GENERAL FUND NON-TAX REVENUES BY SOURCE AS A PERCENTAGE OF TOTAL GENERAL FUND NON-TAX REVENUE COMPARISON: FISCAL YEARS 2008-2009 and 2022-2023

[Charts reflect non-tax revenues credited to the General Fund.]

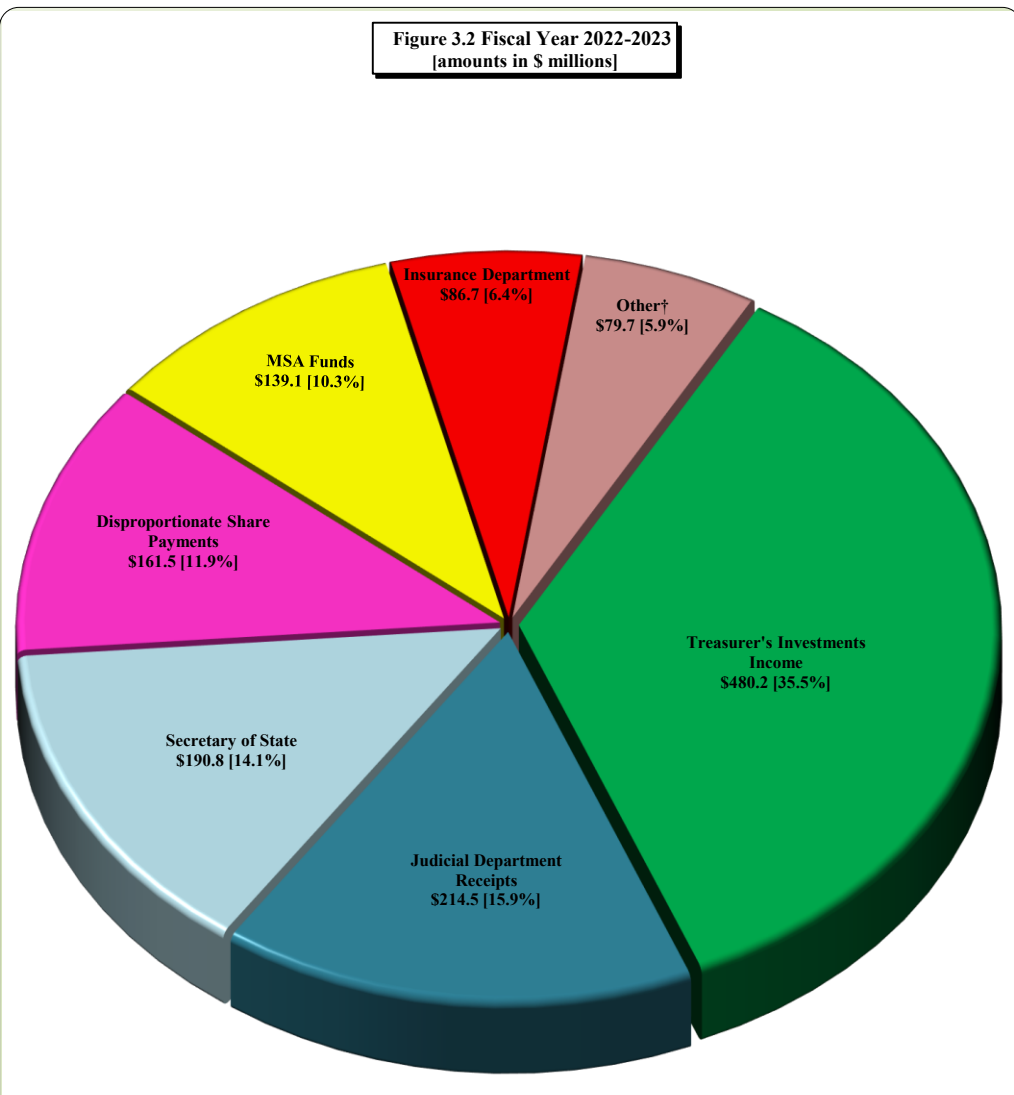
Figure 3.1 Fiscal Year 2008-2009
[amounts in \$ millions]



†Other category: see Table 3. State General Fund: Non-Tax Revenues and Transfers By Source for information regarding non-tax revenue sources not separately itemized in chart.

††Intrastate transfer of funds category includes \$802.0M from Executive Order #6, \$680.4M in Stabilization Funds due to the budgetary shortfall, and \$57.4M from the Appropriation Bill. Stabilization Funds include \$150.9M from the American Reinvestment and Recovery Act of 2009.

Figure 3.2 Fiscal Year 2022-2023
[amounts in \$ millions]



†Other category: see Table 3. State General Fund: Non-Tax Revenues and Transfers By Source for information regarding non-tax revenue sources not separately itemized in chart.

TABLE 3. STATE GENERAL FUND: NON-TAX REVENUES AND TRANSFERS BY SOURCE

Sources of revenue	Fiscal Year									
	2008-2009		2009-2010		2010-2011		2011-2012		2012-2013	
	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total
Income from treasurer's investments.....	113,334,285	4.79%	40,784,359	4.47%	26,306,054	3.39%	17,787,804	1.66%	12,468,221	1.09%
Judicial Department receipts.....	191,174,120	8.08%	216,854,082	23.77%	225,804,493	29.08%	259,770,555	24.26%	250,846,849	21.99%
Sales tax reimbursement - Highway Fund†.....	17,610,000	0.74%	17,557,170	1.92%	17,004,498	2.19%	20,235,353	1.89%	24,080,070	2.11%
Transfer for State Highway Patrol - Highway Fund.....	-	-	-	-	-	-	196,849,542	18.38%	196,209,049	17.20%
Sales tax refund - Non-Highway Fund††.....	1,906,144	0.08%	2,133,686	0.23%	2,432,477	0.31%	3,555,009	0.33%	2,825,727	0.25%
Secretary of State.....	64,652,127	2.73%	81,509,992	8.93%	76,753,295	9.88%	85,420,766	7.98%	90,298,883	7.92%
Cost of local sales and use tax administration.....	15,612,660	0.66%	14,602,888	1.60%	13,691,728	1.76%	12,176,873	1.14%	8,942,660	0.78%
Disproportionate share payments.....	100,000,000	4.23%	124,994,954	13.70%	135,000,000	17.39%	115,000,000	10.74%	115,000,000	10.08%
Intrastate transfer of funds.....	1,546,195,685	65.33%	165,058,045	18.09%	87,076,297	11.21%	112,727,493	10.53%	168,300,282	14.75%
Banking and investment fees.....	5,708,831	0.24%	5,954,689	0.65%	6,092,141	0.78%	6,689,458	0.62%	6,107,270	0.54%
Insurance Department.....	76,451,493	3.23%	69,643,055	7.63%	67,475,688	8.69%	72,313,510	6.75%	72,590,212	6.36%
Reversions of capital improvements funds.....	40,000,000	1.69%	22,161,866	2.43%	1	0.00%	-	-	114,467	0.01%
ABC Board application fee.....	14,143,782	0.60%	14,708,380	1.61%	15,232,055	1.96%	15,090,555	1.41%	15,083,915	1.32%
Gasoline and oil inspection fee.....	901,426	0.04%	1,002,905	0.11%	1,222,610	0.16%	1,331,796	0.12%	1,202,822	0.11%
Transfer of Use Tax from Highway Trust Fund†††.....	147,531,245	6.23%	108,561,829	11.90%	72,894,864	9.39%	76,720,918	7.16%	27,595,861	2.42%
DST: deed/mortgage regulation fee.....	-	-	1,103,900	0.12%	1,736,435	0.22%	1,474,094	0.14%	1,548,466	0.14%
DHHS Health Services Regulation.....	4,189,183	0.18%	4,529,632	0.50%	2,962,271	0.38%	3,883,968	0.36%	2,458,874	0.22%
State Board of Elections.....	13,815	0.00%	673,872	0.07%	28,713	0.00%	487,594	0.05%	-	-
DWI restoration fee.....	748,650	0.03%	25,978	0.00%	65,474	0.01%	76,895	0.01%	60,783	0.01%
AOC: DWI community service fee.....	8,536,186	0.36%	7,099,247	0.78%	8,320,538	1.07%	8,362,573	0.78%	7,992,121	0.70%
AOC: probation supervision fee.....	16,005,024	0.68%	11,377,159	1.25%	14,258,962	1.84%	15,367,842	1.42%	14,728,807	1.29%
AOC: parole supervision fee.....	642,978	0.03%	630,760	0.07%	737,017	0.09%	785,221	0.07%	837,392	0.07%
Butner Fire and Police District Tax.....	1,206,679	0.05%	1,213,235	0.13%	1,273,221	0.16%	7,660	0.00%	-	-
Miscellaneous.....	34,618	0.00%	88,305	0.01%	132,040	0.02%	60,051	0.01%	28,055	0.00%
Master Settlement Agreement.....	-	-	-	-	-	-	44,653,001	4.17%	121,410,749	10.64%
Reversion of Rural Economic Development Center.....	-	-	-	-	-	-	-	-	-	-
Dissolution of NC Health Insurance Risk Pool Fund.....	-	-	-	-	-	-	-	-	-	-
Eastern Regional Economic Transfer to General Fund.....	-	-	-	-	-	-	-	-	-	-
Total General Fund Non-tax Revenue and Transfers.....	2,366,598,932	100.00%	912,269,988	100.00%	776,500,873	100.00%	1,070,828,533	100.00%	1,140,731,536	100.00%

Sources of revenue	Fiscal Year									
	2013-2014		2014-2015		2015-2016		2016-2017		2017-2018	
	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total
Income from treasurer's investments.....	17,250,782	1.62%	18,324,283	1.80%	37,140,697	4.32%	61,906,275	7.06%	93,798,519	10.09%
Judicial Department receipts.....	236,849,684	22.19%	234,549,956	23.07%	244,802,911	28.50%	242,085,347	27.61%	239,670,454	25.79%
Sales tax reimbursement - Highway Fund†.....	21,551,663	2.02%	19,288,738	1.90%	-	-	-	-	-	-
Transfer for State Highway Patrol - Highway Fund.....	196,582,981	18.42%	196,582,981	19.33%	-	-	-	-	-	-
Sales tax refund - Non-Highway Fund††.....	3,716,166	0.35%	2,451,642	0.24%	2,188,868	0.25%	1,875,630	0.21%	1,734,032	0.19%
Secretary of State.....	95,104,972	8.91%	102,111,663	10.04%	108,407,901	12.62%	112,765,556	12.86%	124,166,883	13.36%
Cost of local sales and use tax administration.....	9,388,296	0.88%	10,518,872	1.03%	11,374,208	1.32%	13,037,767	1.49%	13,710,793	1.48%
Disproportionate share payments.....	110,000,000	10.31%	109,000,000	10.72%	147,465,847	17.17%	164,074,772	18.71%	160,960,140	17.32%
Intrastate transfer of funds.....	43,438,865	4.07%	45,732,291	4.50%	45,550,142	5.30%	12,565,048	1.43%	13,076,466	1.41%
Banking and investment fees.....	7,568,299	0.71%	7,684,476	0.76%	4,595,289	0.54%	4,100,683	0.47%	3,911,464	0.42%
Insurance Department.....	73,382,761	6.87%	76,335,234	7.51%	78,465,987	9.14%	82,826,030	9.45%	84,479,768	9.09%
Reversions of capital improvements funds.....	-	-	-	-	-	-	1,733	0.00%	66,559	0.01%
ABC Board application fee.....	15,201,447	1.42%	24,042,735	2.36%	24,027,072	2.80%	25,040,440	2.86%	25,470,220	2.74%
Gasoline and oil inspection fee.....	1,293,347	0.12%	1,278,485	0.13%	1,358,939	0.16%	1,460,653	0.17%	1,445,343	0.16%
Transfer of Use Tax from Highway Trust Fund†††.....	-	-	-	-	-	-	-	-	-	-
DST: deed/mortgage regulation fee.....	1,379,602	0.13%	1,303,157	0.13%	1,383,928	0.16%	1,451,122	0.17%	1,403,022	0.15%
DHHS Health Services Regulation.....	2,171,335	0.20%	1,647,431	0.16%	2,838,531	0.33%	2,627,631	0.30%	3,501,716	0.38%
State Board of Elections.....	466,862	0.04%	59,878	0.01%	14,969	0.00%	10,030	0.00%	800	0.00%
DWI restoration fee.....	19,370	0.00%	10,083	0.00%	185,588	0.02%	-	-	-	-
AOC: DWI community service fee.....	7,476,512	0.70%	7,046,139	0.69%	6,304,835	0.73%	5,672,507	0.65%	5,103,914	0.55%
AOC: probation supervision fee.....	13,647,901	1.28%	13,092,871	1.29%	12,439,135	1.45%	11,459,630	1.31%	10,894,047	1.17%
AOC: parole supervision fee.....	930,694	0.09%	1,138,429	0.11%	1,186,319	0.14%	1,209,269	0.14%	1,187,628	0.13%
Butner Fire and Police District Tax.....	-	-	-	-	-	-	-	-	-	-
Miscellaneous.....	33,244	0.00%	23,585	0.00%	146,573	0.02%	152,345	0.02%	104,185	0.01%
Master Settlement Agreement.....	164,576,047	15.42%	138,621,827	13.63%	127,230,121	14.81%	131,053,787	14.94%	143,153,549	15.40%
Reversion of Rural Economic Development Center.....	29,356,432	2.75%	1,748,056	0.17%	-	-	-	-	-	-
Dissolution of NC Health Insurance Risk Pool Fund.....	16,000,000	1.50%	2,854,222	0.28%	123,273	0.01%	-	-	-	-
Eastern Regional Economic Transfer to General Fund.....	-	-	1,358,547	0.13%	1,589,316	0.19%	1,541,901	0.18%	1,439,947	0.15%
Total General Fund Non-tax Revenue and Transfers.....	1,067,387,263	100.00%	1,016,805,580	100.00%	858,820,449	100.00%	876,918,158	100.00%	929,279,450	100.00%

TABLE 3. -Continued

Sources of revenue	Fiscal Year									
	2018-2019		2019-2020		2020-2021		2021-2022		2022-2023	
	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total	Amount [\$]	Percent of total
Income from treasurer's investments.....	145,795,184	14.73%	135,546,507	14.36%	23,277,758	2.73%	59,932,266	6.16%	480,198,307	35.50%
Judicial Department receipts.....	231,303,525	23.36%	203,314,930	21.55%	178,609,412	20.97%	207,649,456	21.33%	214,537,406	15.86%
Sales tax reimbursement - Highway Fund†.....	-	-	-	-	-	-	-	-	-	-
Transfer for State Highway Patrol - Highway Fund.....	-	-	-	-	-	-	-	-	-	-
Sales tax refund - Non-Highway Fund††.....	2,545,157	0.26%	1,928,570	0.20%	2,201,062	0.26%	1,226,081	0.13%	1,567,457	0.12%
Secretary of State.....	125,776,076	12.71%	141,398,545	14.98%	159,313,245	18.70%	166,891,475	17.14%	190,768,041	14.10%
Cost of local sales and use tax administration.....	14,420,190	1.46%	14,678,240	1.56%	16,675,960	1.96%	16,896,845	1.74%	15,198,575	1.12%
Disproportionate share payments.....	163,300,000	16.50%	165,300,000	17.52%	177,606,045	20.85%	167,364,119	17.19%	161,540,003	11.94%
Intrastate transfer of funds.....	25,134,408	2.54%	9,213,482	0.98%	15,487,962	1.82%	5,701,981	0.59%	4,291,618	0.32%
Banking and investment fees.....	3,771,028	0.38%	3,937,705	0.42%	3,905,651	0.46%	3,823,390	0.39%	5,308,343	0.39%
Insurance Department.....	88,514,844	8.94%	92,422,788	9.79%	100,015,787	11.74%	110,765,950	11.38%	86,651,092	6.41%
Reversions of capital improvements funds.....	43,508	0.00%	28,250	0.00%	-	-	-	-	-	-
ABC Board application fee.....	26,521,850	2.68%	23,233,580	2.46%	4,454,274	0.52%	30,647,220	3.15%	27,450,868	2.03%
Gasoline and oil inspection fee.....	1,490,120	0.15%	1,350,980	0.14%	1,157,658	0.14%	1,357,847	0.14%	1,441,058	0.11%
Transfer of Use Tax from Highway Trust Fund†††.....	-	-	-	-	-	-	-	-	-	-
DST: deed/mortgage regulation fee.....	1,365,572	0.14%	1,479,437	0.16%	1,845,773	0.22%	1,793,686	0.18%	1,381,199	0.10%
DHHS Health Services Regulation.....	3,288,074	0.33%	3,526,207	0.37%	3,888,424	0.46%	2,815,102	0.29%	4,123,564	0.30%
State Board of Elections.....	47,022	0.00%	12,660	0.00%	6,502	0.00%	-	-	-	-
DWI restoration fee.....	-	-	-	-	-	-	-	-	-	-
AOC: DWI community service fee.....	4,781,721	0.48%	3,744,191	0.40%	3,315,618	0.39%	3,286,492	0.34%	3,080,199	0.23%
AOC: probation supervision fee.....	10,854,783	1.10%	9,723,589	1.03%	8,964,846	1.05%	7,677,119	0.79%	7,280,586	0.54%
AOC: parole supervision fee.....	1,146,098	0.12%	1,029,252	0.11%	961,346	0.11%	961,221	0.10%	931,534	0.07%
Butner Fire and Police District Tax.....	-	-	-	-	-	-	-	-	-	-
Miscellaneous.....	5,985	0.00%	24,122	0.00%	364,474	0.04%	8,001,600	0.82%	7,613,585	0.56%
Master Settlement Agreement.....	138,425,927	13.98%	131,694,157	13.96%	149,734,391	17.58%	176,899,858	18.17%	139,127,690	10.29%
Reversion of Rural Economic Development Center.....	-	-	-	-	-	-	-	-	-	-
Dissolution of NC Health Insurance Risk Pool Fund.....	-	-	-	-	-	-	-	-	-	-
Eastern Regional Economic Transfer to General Fund.....	1,439,947	0.15%	32,585	0.00%	-	-	-	-	-	-
Total General Fund Non-tax Revenue and Transfers.....	989,971,021	100.00%	943,619,777	100.00%	851,786,189	100.00%	973,691,710	100.00%	1,352,491,126	100.00%

Source: OSC Statement of General Fund Revenues

Non-tax revenue and transfers include earnings, fees, dividends, transfers, etc.

2008-09 Intrastate transfer of funds category includes \$801,987,570 from Executive Order #6 and \$680,377,613 in Stabilization Funds due to the budgetary situation; and \$57,387,969 from the Appropriation Bill. Stabilization Funds include \$150,867,275 from the American Reinvestment and Recovery Act of 2009.

2009-10 Intrastate transfer of funds category includes \$93,834,701 from the Public School Building Capital Fund to offset continued operations of the State's public schools for the fiscal biennium ending June 30, 2011.

2010-11 Intrastate transfer of funds category includes \$75,181,766 from the Public School Building Capital Fund to offset continued operations of the State's public schools for the fiscal biennium ending June 30, 2011. SL 2010-31, s. 2.2.(d),(e) and SL 2010-123, s. 1.2.(a),(b) provide that certain net proceeds otherwise credited to the Scrap Tire Disposal and White Goods Management Accounts be transferred to the General Fund for fiscal year 2010-11.

2011-12 Intrastate transfer of funds category includes \$83,894,927 from the Public School Building Capital Fund to offset continued operations of the State's public schools for the fiscal biennium ending June 30, 2013. SL 2011-145, s. 2.2.(f),(g),(h), and (i) provide that certain net proceeds otherwise credited to the Scrap Tire Disposal and White Goods Management Accounts and to the Parks and Recreation and Natural Heritage Trust Funds be transferred to the General Fund for fiscal year 2011-12.

2012-13 Intrastate transfer of funds category includes \$89,196,686 from the Public School Building Capital Fund to offset continued operations of the State's public schools for the fiscal biennium ending June 30, 2013.

†§ 105-164.44D specifies that the amount of sales and use tax revenue not realized by the General Fund due to sales tax exemption for purchases by the Department of Transportation be transferred from the Highway Fund to the General Fund as reimbursement. SL 2005-276, s. 6.37(e) provides that the reimbursement provision does not apply in fiscal years 2005-06 or 2006-07.

SL 2015-241, s. 2.2(b) repeals § 105-164.44D-Reimbursement for Sales Tax Exemption for Purchases by the DOT effective July 1, 2015.

††Refunds of local sales and use taxes paid by State agencies on indirect purchases of certain tangible personal property. State agencies became exempt from tax on direct purchase transactions occurring on or after July 1, 2004. [§ 105-164.14(e)]

†††Transfer of Use Tax from the Highway Trust Fund provisions were repealed by SL 2010-31, s. 28.7(i), and SL 2013-183, s. 4.1, effective July 1, 2013.

PART III. STATE TAX COLLECTIONS BY STATUTORY ARTICLE OF TAX

TABLE 5. ESTATE TAX COLLECTIONS

[§ 105 ARTICLE 1A.]

[The Tax Simplification and Reduction Act of 2013 repeals Article 1A. Estate Taxes, (§§ 105-32.1 through 105-32.8.)

SL 2013-316, s. 7.(a) repeals the North Carolina estate tax effective January 1, 2013 and applies to the estates of decedents dying on or after that date.††

Fiscal year	Estate tax/ Inheritance tax* gross collections [\$]	Refunds [\$]	Net collections before transfers [\$]	Collection fees on overdue tax debts [\$]	OSBM Civil Penalty & Forfeiture Fund [\$]	Collection cost of fines/ forfeitures [\$]	Collections to General Fund [\$]	Year-over-year % change		
								Estate tax/ Inheritance tax* gross collections	Estate tax/ Inheritance tax* refunds	Estate tax/ Inheritance tax* collections to General Fund
2008-09.....	110,183,105	5,872,856	104,310,249	12,486	41,574	175	104,256,014	-31.87%	103.25%	-34.33%
2009-10†.....	76,141,125	4,203,752	71,937,373	12,414	19,104	88	71,905,766	-30.90%	-28.42%	-31.03%
2010-11†.....	26,472,373	2,538,503	23,933,870	126,748	51,454	222	23,755,446	-65.23%	-39.61%	-66.96%
2011-12†.....	60,120,673	1,987,003	58,133,669	21,155	9,936	41	58,102,538	127.11%	-21.73%	144.59%
2012-13†,††..	113,916,384	2,213,375	111,703,009	159,271	113,203	455	111,430,080	89.48%	11.39%	91.78%
2013-14†,††..	28,410,868	9,073,682	19,337,185	47,108	14,452	58	19,275,568	-75.06%	309.95%	-82.70%
2014-15†,††..	3,517,974	444,128	3,073,846	66,289	18,147	75	2,989,335	-87.62%	-95.11%	-84.49%
2015-16†,††..	5,012,148	529,156	4,482,992	-	124,288	524	4,358,180	42.47%	19.15%	45.79%
2016-17†,††..	879,197	151,601	727,596	17,338	632	3	709,623	-82.46%	-71.35%	-83.72%
2017-18†,††..	10,715,395	24,007	10,691,388	-	66,914	296	10,624,179	1,118.77%	-84.16%	1,397.16%
2018-19†,††..	388,896	-	388,896	-	-	-	388,896	-96.37%	-100.00%	-96.34%
2019-20†,††..	1,199,069	-	1,199,069	-	30,487	144	1,168,439	208.33%	-	200.45%
2020-21†,††..	6,924,975	6,892,648	32,327	-	-	-	32,327	477.53%	-	-97.23%
2021-22†,††..	173,009	-	173,009	-	-	-	173,009	-97.50%	-	435.19%
2022-23†,††..	-	-	-	-	-	-	-	-100.00%	-	-100.00%

Historical notes:

*The inheritance tax (Article 1. §§ 105-2 to 105-32) was repealed effective January 1, 1999, and applied to the estates of decedents dying on or after that date. Collection amounts for estates of decedents dying prior to the repeal date are a combination of inheritance and supplementary estate taxes (as applicable). Estate taxes were due to be filed nine months from the date of death, as were inheritance taxes. Depending on date of death, collections for subsequent fiscal years reflect either revenue generated from the estate tax (§§ 105-32.1 to 105-32.8) as result of the law change, or revenue generated from the inheritance tax (§§ 105-2 to 105-32) prior to repeal. The estate tax was imposed on the right to transfer property at death; the inheritance tax was based on the relationship of beneficiaries. The inheritance tax was assessed on property or interest over which the State had jurisdiction when the title passed by will, contract, entirety, or by descent and distribution. The property was taxed based on one of three graduated rate scales determined by the relationship of the beneficiary to the decedent. Certain tax credits applied to property passing to lineal ancestors or descendants. [Property passing to a surviving spouse was exempt, along with other types of property.] When the combined total of inheritance taxes was less than the credit allowed under the basic rates of the federal estate tax, a supplementary estate tax was imposed equal to the difference between the total North Carolina inheritance tax and the maximum state tax credit allowed by the Federal Estate Tax Act. When the inheritance tax was repealed, the estate tax was retained. The estate tax was equal to the state tax credit for federal purposes. Under the new federal estate tax law, effective for estates of decedents dying on or after January 1, 2002, the exclusion amount from federal estate tax was increased and the state tax credit was phased out over a three-year period beginning in 2002.

The 2002 General Assembly conformed North Carolina exclusion amounts to the federal exclusion amounts, but amended § 105-32.2(b), electing to not adopt the phase-out provision.

For decedents dying on or after January 1, 2005, the North Carolina estate tax is the amount of the state tax credit that (as of December 31, 2001) would have been allowed under section 2011 of the IRC against federal taxable income and is limited to the amount of federal estate tax determined without regard to the deduction for state taxes allowed under section 2058 of the IRC and the tax credits allowed under sections 2011-2015 of the IRC. Effective January 1, 2006, the State increased the allowable exemption from \$1.5 to \$2.0 million to conform with the federal estate tax.

†Provisions of the 2010 Tax Relief Act effectively repealed the North Carolina estate tax for the estates of decedents whose death occurred during 2010. The North Carolina estate tax is reinstated effective for the estates of decedents whose death occurred on or after January 1, 2011 provided a federal estate tax return is required (North Carolina law conforms to federal estate tax rate and exclusion provisions). ††Collection levels beginning with fiscal year 2013-14 reflect returns filed and/or tax liabilities incurred for periods prior to repeal that were processed during the designated fiscal years.

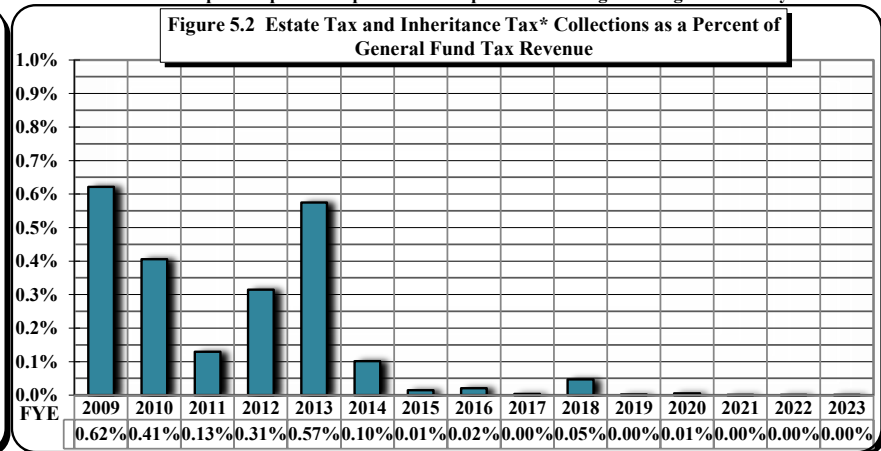
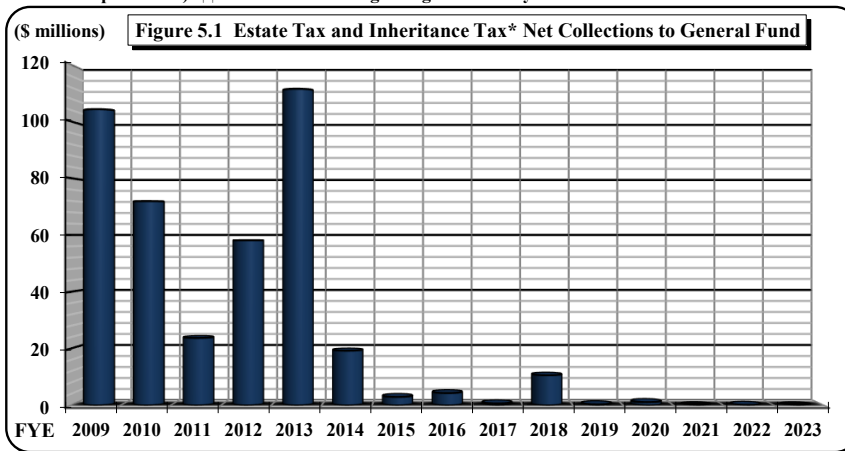


TABLE 6. PRIVILEGE TAX COLLECTIONS

[§ 105 ARTICLE 2.]

[The Tax Simplification and Reduction Act of 2013 repeals §§ 105-37.1, 105-38.1, and 105-40 effective January 1, 2014, applicable to gross receipts derived from an admission charge sold at retail on or after that date.]

Fiscal year	Privilege tax gross collections [S]	Refunds [S]	Privilege Tax Net Collections Before & After Transfers									Year-over-year % change			
			Net collections before transfers [S]	Solid Waste Management Trust Fund [S]	Intergovernmental inter-fund transfers [S]	N.C. Public Campaign Financing Fund [S]	Collection fees on overdue tax debts [S]	OSBM Civil Penalty & Forfeiture Fund [S]	Collection cost of fines/forfeitures [S]	Collections to General Fund [S]	Privilege tax gross collections [S]	Privilege tax refunds [S]	Net collections before transfers [S]	Amount to General Fund [S]	
2008-09.....	39,707,960	1,858,993	37,848,967	36	-	-	-	20,757	311,257	1,310	37,515,608	-30.66%	202.02%	-33.19%	-33.38%
2009-10.....	39,669,774	101,193	39,568,581	-	157	-	-	32,985	337,218	1,558	39,196,662	-0.10%	-94.56%	4.54%	4.48%
2010-11.....	41,898,222	128,295	41,769,927	312	11,619	-	-	32,282	376,424	1,626	41,347,664	5.62%	26.78%	5.56%	5.49%
2011-12.....	51,093,873	1,983,509	49,110,364	20,370	10,841	-	-	47,262	486,318	2,002	48,543,571	21.95%	1,446.05%	17.57%	17.40%
2012-13.....	50,505,906	3,714,963	46,790,943	-	126,257	-	-	54,876	495,738	1,991	46,112,081	-1.15%	87.29%	-4.72%	-5.01%
2013-14.....	50,922,192	474,875	50,447,317	-	20,949	-	-	45,918	424,064	1,703	49,954,683	0.82%	-87.22%	7.81%	8.33%
2014-15.....	45,801,820	4,242,634	41,559,186	35,918	-	-	-	49,415	405,584	1,670	41,066,599	-10.06%	793.42%	-17.62%	-17.79%
2015-16.....	40,363,506	47,480	40,316,026	9,765	-	-	-	40,530	338,851	1,429	39,925,452	-11.87%	-98.88%	-2.99%	-2.78%
2016-17.....	30,848,016	1,004,407	29,843,609	-	-	-	-	72,649	414,953	1,834	29,354,173	-23.57%	2,015.44%	-25.98%	-26.48%
2017-18.....	33,209,781	183,408	33,026,373	-	-	-	-	84,633	507,589	2,243	32,431,907	7.66%	-81.74%	10.66%	10.48%
2018-19.....	36,310,065	412,814	35,897,251	-	-	-	-	62,881	451,947	2,180	35,380,243	9.34%	125.08%	8.69%	9.09%
2019-20.....	35,851,203	134,285	35,716,918	-	-	-	-	87,156	487,657	2,303	35,139,802	-1.26%	-67.47%	-0.50%	-0.68%
2020-21.....	41,942,452	128,108	41,814,345	-	-	-	-	106,797	459,909	2,265	41,245,374	16.99%	-4.60%	17.07%	17.38%
2021-22.....	39,037,986	100,572	38,937,414	-	-	-	-	122,690	416,922	1,716	38,396,085	-6.92%	-21.49%	-6.88%	-6.91%
2022-23.....	39,698,959	123,525	39,575,434	-	-	-	-	75,292	400,246	1,527	39,098,369	1.69%	22.82%	1.64%	1.83%

Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020.

Privilege tax rates and bases:

Rate

\$50

\$12.50

.277% of face value

\$250 annual tax per location

Repealed:

\$30 per \$1 million in assets

\$15 per ton

3% of gross receipts

[rate repealed

on/after 1/1/14]†

1% of gross receipts

[rate repealed

on/after 1/1/14]††

Base

Attorneys-at-law and other professionals. Refer to *Figure 6.1 Privilege Tax Net Collections* for additional information.

In addition to the \$50 tax, an individual engaged in the public practice of accounting (principal or manager) is liable for a

\$12.50 license tax for each employee who supervises or handles the work of auditing, devising or installing accounting systems.

SL 2023-134 repeals the privilege license tax imposed on professionals effective July 1, 2024.

Total face value of obligations dealt in, bought, or discounted in the business of handling installment papers, notes, bonds, contracts, or evidences of debt.

Loan agencies; check cashing establishments; pawnbroker establishments

Banks: the privilege tax on banks and banking associations operating in this State is repealed effective June 30, 2016. [SL 2015-241, s. 32.13(g)]

Publishers of newsprint publications: the number of tons by which a newsprint publisher's recycled content tonnage falls short of the tonnage of recycled post-consumer recovered paper needed to achieve the applicable minimum recycled content percentage (repealed effective October 22, 2015). [SL 2015-286, s. 4.11(a)]

Gross admissions receipts of a person engaged in providing admission to live entertainment of any kind (amenities charges are excluded).

†Effective on or after January 1, 2014, privilege taxes imposed on gross admissions receipts within Article 2 are repealed; alternatively, transactions are subject

to the State retail sales and use tax general rate of 4.75% pursuant to Article 5 (applicable local rates apply). [SL 2013-316, s. 5.(a),(b), and (f)]

Gross receipts of a person engaged in the business of reselling on the Internet an admission ticket that is subject to the privilege tax.

(Effective for admission tickets sold on/after January 1, 2011.)

†Effective on or after January 1, 2014, privilege taxes imposed on ticket resale transactions within Article 2 are repealed; alternatively, transactions are subject

to the State retail sales and use tax general rate of 4.75% pursuant to Article 5 (applicable local rates apply). [SL 2013-316, s. 5.(a),(b), and (f)]

Gross receipts of a person engaged in the business of operating a motion picture show for which admission is charged.

††Effective on or after January 1, 2014, privilege taxes imposed on motion picture show admissions within Article 2 are repealed; alternatively, transactions are

subject to the State retail sales and use tax general rate of 4.75% pursuant to Article 5 (applicable local rates apply). [SL 2013-316, s. 5.(a),(b), and (f)]

Historical notes:

1997-98

Effective July 1, 1997, the enactment of Chapter 14 (SB 6) repealed thirty-five privilege license sections, retaining the sections pertaining to amusements, attorneys-at-law and other professionals, installment paper dealers, loan agencies or brokers, banks, and publishers of newsprint publications. Licensing and regulatory provisions governing peddlers, itinerant merchants, and specialty market operators repealed under Chapter 105 were transferred to Article 32 of Chapter 66.

1998-99

Effective October 1, 1998, a new section, § 105-38.1, imposed a 1% gross receipts tax on persons operating a motion picture show.

1999-00

Effective July 1, 1999, the \$100 annual license tax levied on installment paper dealers was repealed; concurrently, the tax rate on obligations was increased from .275% to .277% of face value. The annual location license for banks was repealed and the taxation of a new bank in operation for less than a calendar year became based on a proration of average assets and number of days in operation rather than on a \$100 flat fee. Pawnbrokers and check cashers were made subject to a \$250 annual per location license, while the tax on loan agencies was reduced from a \$750 annual per location tax to a \$250 annual per location tax.

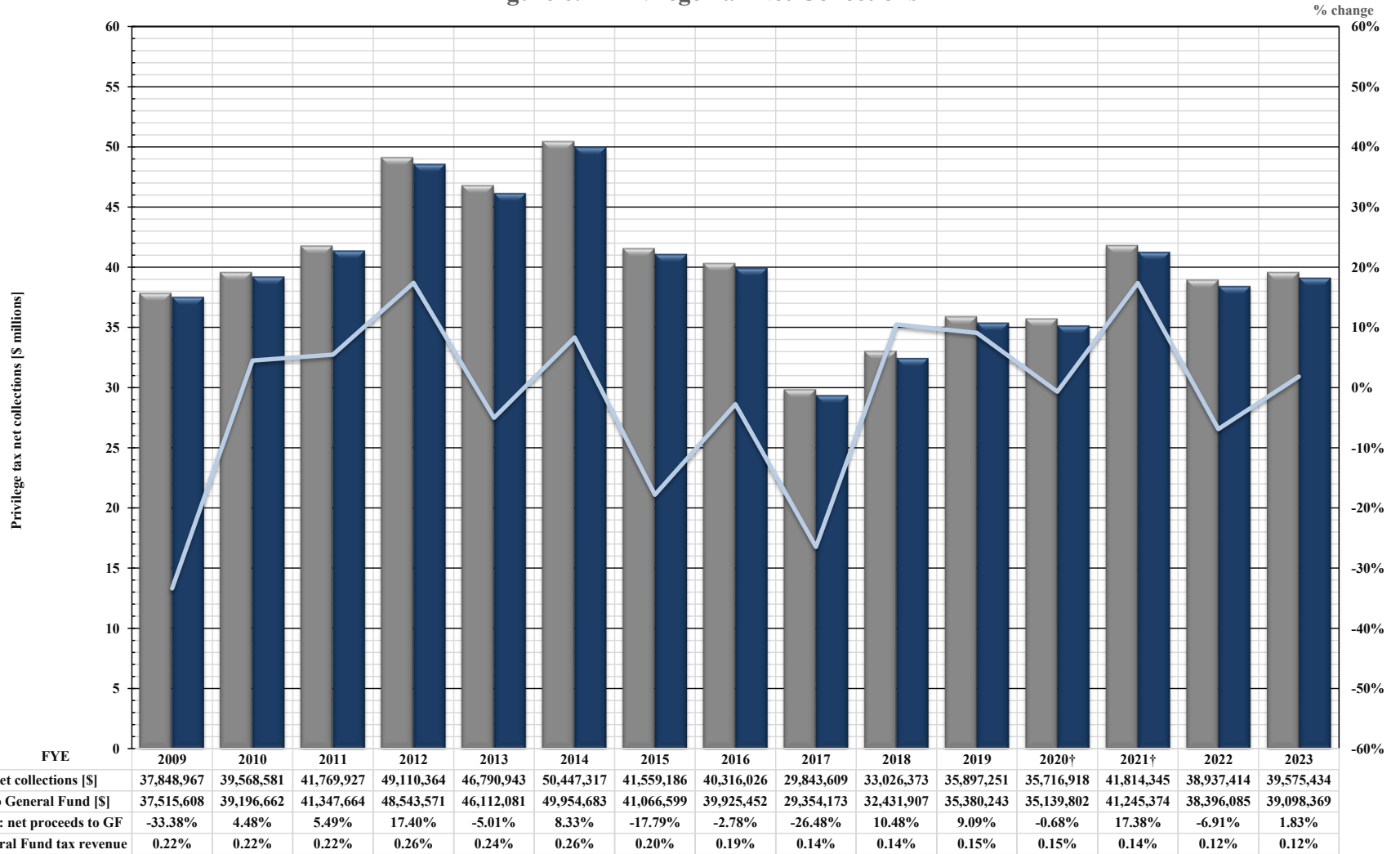
2003-04 § 105-41(a)(1) - N.C. Public Campaign Financing Fund voluntary contribution [Repealed for new license applications/renewals issued on/after January 1, 2006.]

Attorneys are provided the opportunity to make a voluntary contribution of \$50 to the N.C. Public Campaign Financing Fund at the same time the annual \$50 privilege license tax is paid. The contribution is not considered part of the tax owed. [Effective on/after July 1, 2003 (applications for new licenses); effective on/after July 1, 2004 (issuance of license renewals)] (The N.C. Public Campaign Financing Fund was established to provide an alternative means of financing campaigns of candidates for the N.C. Supreme Court of Appeals who accept fundraising and spending limits.)

Intergovernmental, inter-fund transfers:

Beginning with fiscal year 2009-10, the amount is the transfer of funds for purchases and costs related to the implementation of TIMS and PDP components. [SL 2009-451, Section 6.20(a)]

Figure 6.1 Privilege Tax Net Collections



Article 2 of § 105 imposes privilege taxes on certain specified occupations, businesses, or activities. The privilege license tax applies to 1) certain professionals: attorney-at-law; physician; veterinarian; surgeon; osteopath; chiropractor; chiropodist; dentist; ophthalmologist; optician; optometrist; massage and bodywork therapist, or other individual who practices a professional art of healing; professional engineer; registered land surveyor; architect; landscape architect; photographer, canvasser for photographer, or certain agent of photographers; real estate broker; real estate appraiser; a person who negotiates loans on real estate as agent; funeral director; home inspector; and accountant 2) loan agencies to include check cashing and pawnbroker regulated business types and 3) installment paper dealers. See Table 6 for applicable rate information.

SL 2023-134 repeals the privilege license tax on professionals effective July 1, 2024.

†On March 10, 2020, Governor Roy Cooper signed Executive Order 116 declaring a state of emergency in response to the pandemic. The Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of the receipt of certain tax collections from the fiscal year ended in June 2020 to the fiscal year ended in June 2021.

TABLE 8. TOBACCO PRODUCTS TAX COLLECTIONS

[§ 105 ARTICLE 2A.]

On March 10, 2020, Governor Roy Cooper signed Executive Order 116 declaring a state of emergency in response to the pandemic. The Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020.

Fiscal year	Tobacco products tax: cigarette, vapor products, and other tobacco products															Year-over-year % change		
	Gross collections							Refunds	Net collections [before transfers]		Transfers				Net collections			
	Cigarette	YoY % change	Other tobacco products [OTP]				Gross collections		Cigarette	Other tobacco products	Collection fees on over due tax debts	OSBM Civil Penalty & Forfeiture Fund	Collection cost of fines/forfeitures	University Cancer Research Fund	Collections to General Fund	Cigarette	Other tobacco products	Amount to General Fund
			Vapor products	YoY % change	non-vapor	YoY % change												
[\$]		[\$]		[\$]		[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]		
2008-09...	220,616,844	-3.7%	-	-	23,340,105	20.4%	243,956,948	578,682	220,157,816	23,220,451	8,161	64,388	271	16,248,555	227,056,891	-3.8%	20.2%	-4.3%
2009-10...	244,630,968	10.9%	-	-	30,350,333	30.0%	310,260,005	1,026,005	243,918,489	30,036,807	9,421	121,427	561	22,092,931	251,730,957	10.8%	29.4%	10.9%
2010-11...	258,774,808	5.8%	-	-	31,906,438	5.1%	290,681,247	1,176,161	257,949,338	31,555,748	1,080	83,851	362	24,149,650	265,270,142	5.8%	5.1%	5.4%
2011-12...	261,915,124	1.2%	-	-	33,381,867	4.6%	295,296,991	527,183	261,758,825	33,010,984	15,470	32,651	134	23,820,819	270,900,735	1.5%	4.6%	2.1%
2012-13...	249,730,345	-4.7%	-	-	33,037,145	-1.0%	282,767,489	1,641,863	248,662,762	32,462,865	28,418	71,463	287	25,624,521	255,400,938	-5.0%	-1.7%	-5.7%
2013-14...	248,706,308	-0.4%	-	-	34,732,241	5.1%	283,438,549	1,588,119	247,684,943	34,165,486	77,135	170,841	686	26,069,447	255,532,320	-0.4%	5.2%	0.1%
2014-15...	240,741,735	-3.2%	-	-	37,105,657	6.8%	277,847,392	1,356,265	240,395,440	36,095,687	12,762	83,065	342	27,860,863	248,534,095	-2.9%	5.6%	-2.7%
2015-16...	245,725,427	2.1%	2,982,595	-	38,694,805	4.3%	287,402,827	1,068,625	245,359,695	40,974,507	47,975	156,749	657	28,695,258	257,433,563	2.1%	13.5%	3.6%
2016-17...	249,011,980	1.3%	3,692,890	23.8%	40,324,691	4.2%	293,029,561	808,898	248,687,355	43,533,309	82,987	60,811	269	30,325,010	261,751,586	1.4%	6.2%	1.7%
2017-18...	245,944,066	-1.2%	4,517,783	22.3%	42,604,382	5.7%	293,066,231	808,385	245,772,335	46,485,511	75,467	121,174	536	31,769,093	260,291,576	-1.2%	6.8%	-0.6%
2018-19...	241,091,949	-2.0%	5,383,702	19.2%	46,911,899	10.1%	293,387,550	443,785	240,961,646	51,982,119	98,115	118,870	573	35,562,456	257,163,750	-2.0%	11.8%	-1.2%
2019-20...	235,566,150	-2.3%	5,335,866	-0.9%	48,427,048	3.2%	289,329,065	547,793	235,350,069	53,431,202	127,482	80,113	378	36,627,688	251,945,610	-2.3%	2.8%	-2.0%
2020-21...	246,249,047	4.5%	5,721,054	7.2%	55,765,426	15.2%	307,735,528	348,198	246,179,460	61,207,870	30,637	141,998	699	42,040,228	265,173,767	4.6%	14.6%	5.3%
2021-22...	231,451,075	-6.0%	6,507,171	13.7%	57,304,086	2.8%	295,262,333	54,265	231,435,395	63,772,672	19,588	93,510	385	43,524,272	251,570,313	-6.0%	4.2%	-5.1%
2022-23...	217,089,782	-6.2%	6,676,754	2.6%	62,972,004	9.9%	286,738,540	410,918	217,068,646	69,258,975	42,631	60,045	229	17,316,749	268,907,968	-6.2%	8.6%	6.9%

Effective January 1, 1994, cigarette excise tax law changed from a stamp method of payment based on packs purchased to a reporting method based on sales. Concurrent with the change in the payment method was a reduction in the amount of discount allowed to taxpayers.

Effective September 1, 2005, the cigarette tax rate increased from 2.5 mills per cigarette (5¢ per pack of 20 cigarettes) to 1.5¢ per cigarette (30¢ per pack of 20 cigarettes). The tax rate applicable to tobacco products (other than cigarettes) increased from 2% to 3% of the cost price of the product (10% effective October 1, 2007). Proceeds of the additional 7% rate were credited to the newly established University Cancer Research Fund (UCRF).

Effective July 1, 2006, the cigarette tax rate increased from 1.5¢ per cigarette to 1.75¢ per cigarette (35¢ per pack of 20 cigarettes).

Effective September 1, 2009, the cigarette tax rate increased from 1.75¢ per cigarette (35¢ per pack of 20 cigarettes) to 2.25¢ per cigarette (45¢ per pack of 20 cigarettes). The tax rate for other tobacco products increased from 10% to 12.8% of the cost price of the product (3% of the cost price was credited to the General Fund; the remainder of the net tax was credited to the UCRF).

Effective June 1, 2015, an excise tax at the rate of \$0.05 per fluid mL is imposed on consumable vapor products containing nicotine (discount does not apply).

Effective June 12, 2018, § 105-113.4E defines 'modified risk tobacco product' as a product marketed for use to reduce the harm or risk of tobacco-related disease: such products qualify for a reduced excise tax rate.

SL 2021-180 expands the 12.8% excise tax rate imposed on the cost price per cigar to include remote sales of cigars and creates a cap on the excise tax of 30¢ per cigar for all purchases, regardless of whether purchased in-person or online.

SL 2023-11 repeals the UCRF transfer and provides that any portion of other tobacco product tax collections credited to the UCRF by the NCDOR during July 2022-December 2022 be considered as properly dispersed (effective July 1, 2022).

Cigarette tax/other tobacco products tax discount:

Effective for reporting periods beginning on or after August 1, 2004, § 105-113.21 and § 105-113.39 were reenacted to reinstate a discount to wholesalers or importers who both timely file the monthly tobacco tax report and timely pay the tax due. The discount is 2%. [The discount under prior law was 4% and had been repealed effective for reporting periods beginning on or after August 1, 2003.]

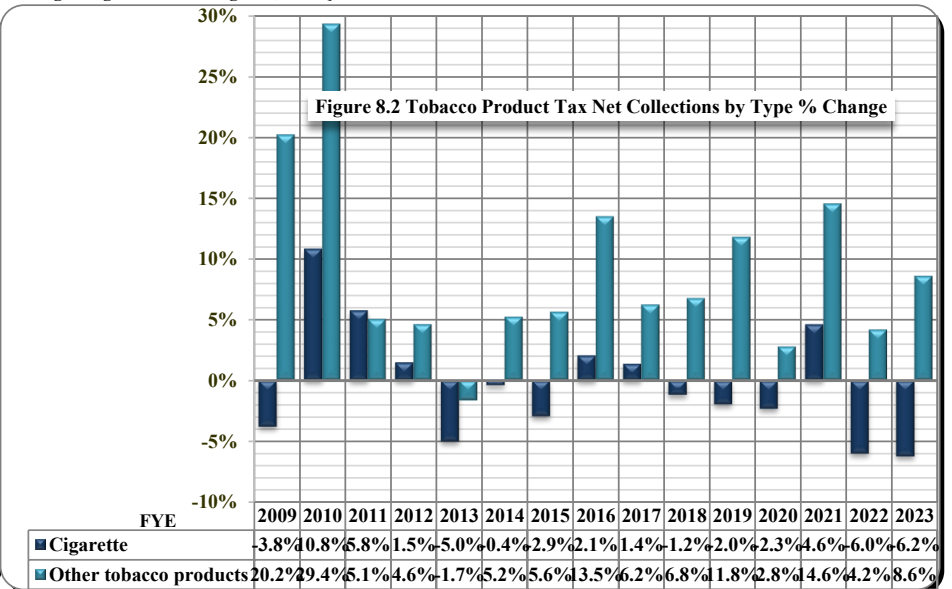
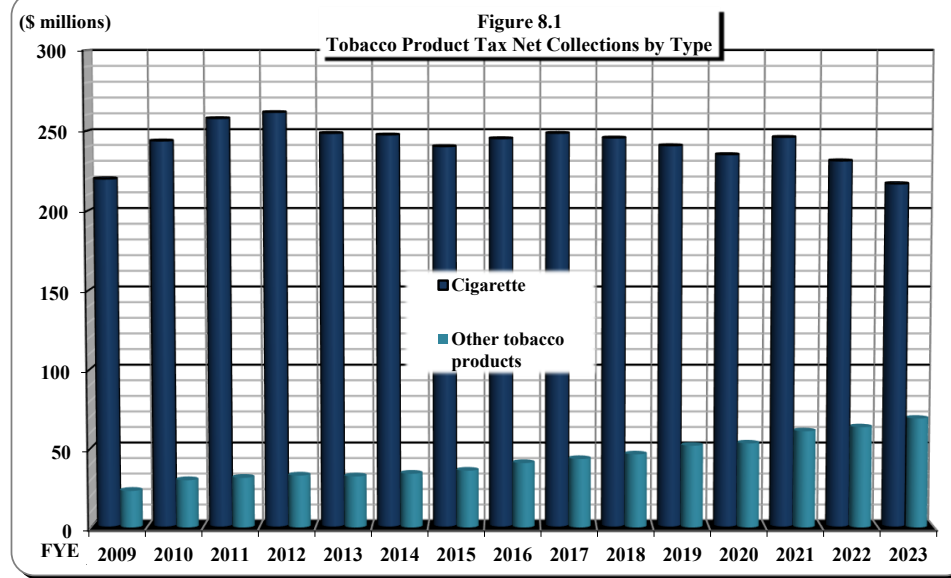


TABLE 9. PER CAPITA TAX-PAID CIGARETTE SALES

Fiscal year ended	Per capita National	Per capita North Carolina	
	cigarette sales (number of packs)	cigarette sales (number of packs)	rate of tax per pack (¢)
1970	126.7	172.4	2*
1971	132.4	187.6	2
1972	131.6	214.1	2
1973	135.1	226.5	2
1974	141.7	227.3	2
1975	134.9	226.0	2
1976	145.3	230.2	2
1977	138.9	217.0	2
1978	140.9	205.5	2
1979	141.1	197.3	2
1980	139.9	187.8	2
1981	139.8	179.3	2
1982	137.9	179.0	2
1983	126.3	169.8	2
1984	121.6	160.6	2
1985	119.6	156.3	2
1986	117.5	154.4	2
1987	114.4	150.5	2
1988	110.0	146.0	2
1989	105.6	139.3	2
1990	100.8	133.7	2
1991	96.5	132.7	2
1992	94.8	128.9	5**
1993	93.1	129.7	5
1994	90.6	112.7	5
1995	89.5	124.9	5
1996	87.7	129.7	5
1997	86.9	125.6	5
1998	85.8	126.0	5
1999	82.1	113.1	5
2000	77.4	109.0	5
2001	73.7	100.1	5
2002	71.7	98.5	5
2003	67.9	97.7	5
2004	65.1	95.6	5
2005	63.3	93.8	5
2006	61.1	89.6	30**
2007	58.9	78.3	35**
2008	55.5	73.7	35
2009	52.6	69.6	35
2010	47.9	61.5	45
2011	46.5	60.9	45
2012	45.1	60.7	45
2013	43.0	57.5	45
2014	41.0	56.7	45
2015	40.4	54.1	45
2016	39.5	54.4	45
2017	38.1	54.5	45
2018	35.6	53.2	45
2019	34.0	51.6	45
2020	33.0	49.9	45
2021	32.1	52.4	45
2022	30.0	48.7	45
2023	27.3	45.1	45

Source: Orzechowski and Walker. *The Tax Burden on Tobacco*, Historical Compilation, Volume 58, 2023.

*Tax imposed effective **October 1, 1969**. Amount based on nine months of collections projected to one year.

Tax rate increase effective **August 1, 1991.

Effective **September 1, 2005**, the cigarette tax rate increased from 2.5 mills per cigarette (5¢ per pack of 20 cigarettes) to 1.5¢ per cigarette (30¢ per pack of 20 cigarettes).

Effective **July 1, 2006**, the cigarette tax rate increased from 1.5¢ per cigarette to 1.75¢ per cigarette (35¢ per pack of 20 cigarettes).

Effective **September 1, 2009**, the cigarette tax rate increased from 1.75¢ per cigarette to 2.25¢ per cigarette (45¢ per pack of 20 cigarettes).

Figure 9.1 Per Capita Tax-Paid Cigarette Sales (National and North Carolina)

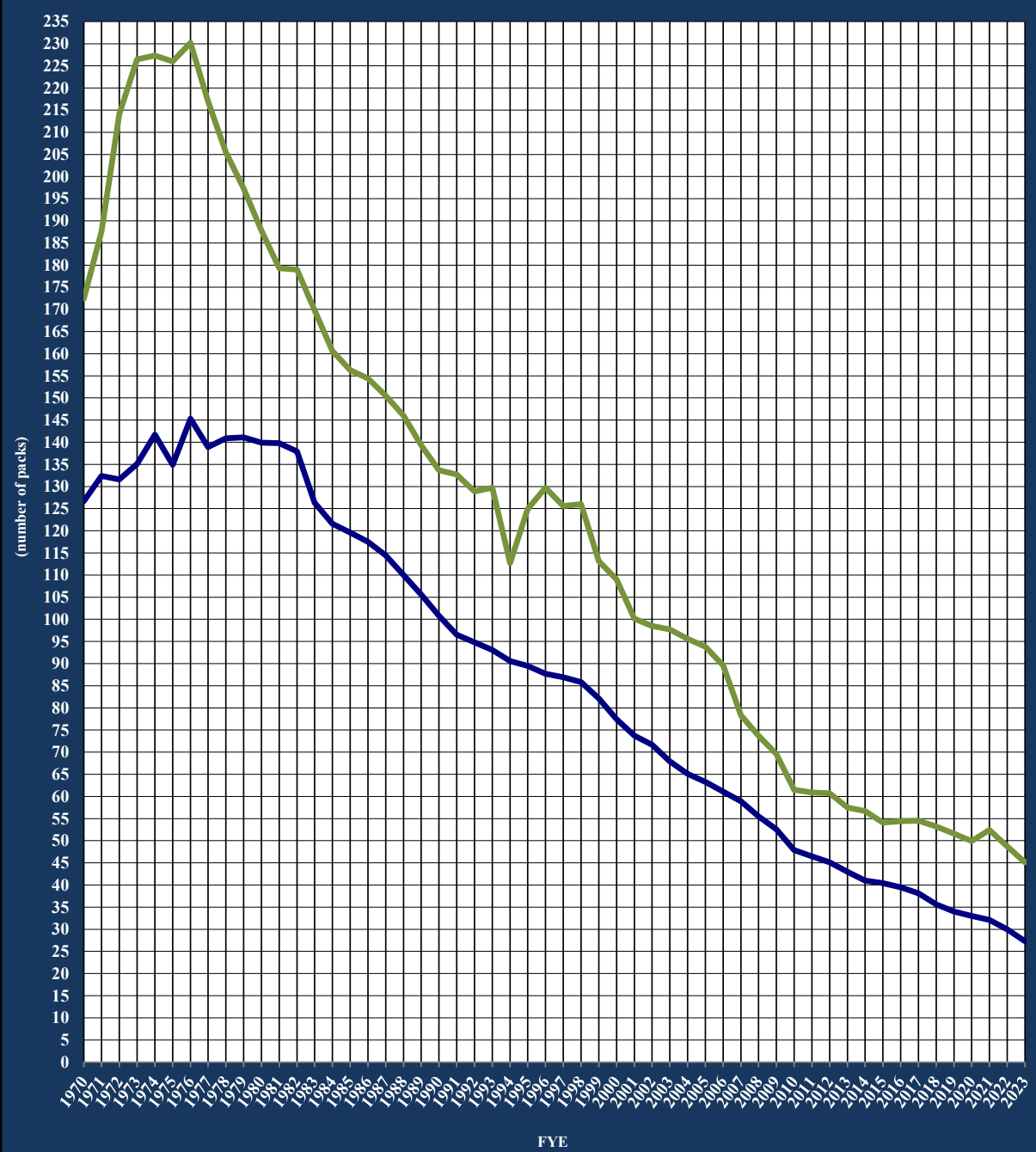


TABLE 11. ALCOHOLIC BEVERAGE TAX COLLECTIONS
[§ 105 ARTICLE 2C.]

Fiscal year	Alcoholic beverage tax gross collections [S]	Refunds [S]	Net collections before local government distribution allocation/transfers [S]	Alcoholic Beverage Tax Allocations and Transfers					Net collections to General Fund [S]	Year-over-year % change			
				Local government distribution allocation† [S]	Intergovernmental/inter-fund transfers					Gross collections	Refunds	Net collections before allocation/transfers	Amount to General Fund
					Department of Commerce transfer* [S]	Collection fees on overdue tax debts [S]	OSBM Civil Penalty & Forfeiture Fund [S]	Collection cost of fines/forfeitures [S]					
2008-09.....	262,810,968	35,642	262,775,326	33,379,600	875,000	7,297	54,627	230	228,458,572	1.43%	-58.37%	1.45%	1.48%
2009-10.....	294,285,374	1,053,570	293,231,804	10,860,329	-	6,574	47,737	221	282,316,942	11.98%	2,855.98%	11.59%	23.57%
2010-11.....	309,412,522	115,502	309,297,020	34,021,288	-	325	81,445	352	275,193,609	5.14%	-89.04%	5.48%	-2.52%
2011-12.....	321,599,488	23,123	321,576,364	34,110,110	-	121	102,614	422	287,363,097	3.94%	-79.98%	3.97%	4.42%
2012-13.....	331,874,776	627,827	331,246,949	32,555,824	-	15,209	35,930	144	298,639,842	3.20%	2,615.16%	3.01%	3.92%
2013-14.....	341,658,837	(255,324)	341,914,161	35,723,179	-	2,199	193,113	776	305,994,895	2.95%	-140.67%	3.22%	2.46%
2014-15.....	358,563,120	155,951	358,407,169	39,525,134	-	15,790	135,852	559	318,729,834	4.95%	161.08%	4.82%	4.16%
2015-16.....	377,495,319	331,705	377,163,614	37,020,719	-	3,605	42,563	146	340,096,582	5.28%	112.70%	5.23%	6.70%
2016-17.....	393,775,309	574,683	393,200,626	39,534,929	-	7,180	54,393	240	353,603,883	4.31%	73.25%	4.25%	3.97%
2017-18.....	410,373,215	189,115	410,184,100	38,859,777	-	16,958	186,230	823	371,120,312	4.22%	-67.09%	4.32%	4.95%
2018-19.....	436,831,388	1,209,414	435,621,974	39,594,186	-	6,861	159,283	768	395,860,876	6.45%	539.51%	6.20%	6.67%
2019-20.....	452,344,047	1,501,800	450,842,247	40,083,680	-	23,555	122,928	580	410,611,503	3.55%	24.18%	3.49%	3.73%
2020-21.....	532,394,218	138,938	532,255,280	39,461,620	-	29,703	171,525	845	492,591,588	17.70%	-90.75%	18.06%	19.97%
2021-22.....	559,196,993	334,604	558,862,388	37,661,809	-	531	-	-	521,200,049	5.03%	140.83%	5.00%	5.81%
2022-23.....	588,932,496	185,376	588,747,120	43,737,412	-	42,029	290,085	1,107	544,676,486	5.32%	-44.60%	5.35%	4.50%

On March 10, 2020, Governor Roy Cooper signed Executive Order 116 declaring a state of emergency in response to the pandemic. The Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of the receipt of certain tax collections from the fiscal year ended June 2020 to the fiscal year ended June 2021.

†Amounts shown for local government distribution allocation represent amounts placed in reserve during the fiscal year designated and are the computed local government shares based on net collections for the preceding 12-month period ending March 31 of the indicated fiscal year. Effective July 1, 1995, the provision of funds for the allocation changed from an annual appropriation based on the preceding 12-month period ending September 30 to a distribution based on the preceding 12-month period ending March 31 of each year.

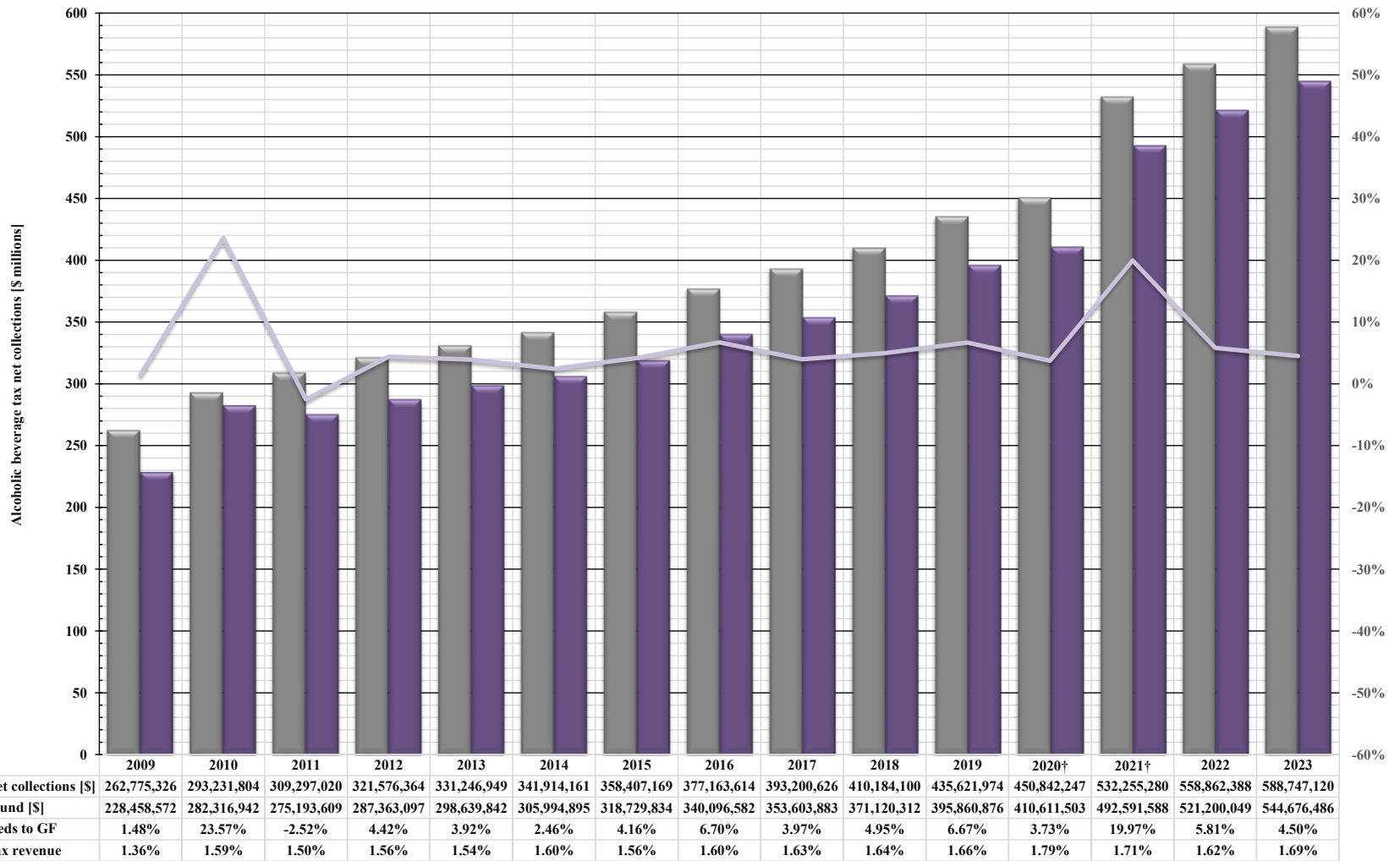
SL 2009-451, s. 27A.4(a), effective September 1, 2009, and applicable to liquor sold and to malt beverages and wine first sold or otherwise disposed of on or after that date, increases the excise tax rates and, accordingly, reduces the local government distributable share percentages of the beer and wine excise taxes net proceeds. The legislation specifies a temporary additional reduction in the percentage of the net amount of excise taxes distributable to local governments for the taxes collected during the 12-month collection period ending March 31, 2010.

***Department of Commerce transfer (§ 105-113.81A):**

Effective July 1, 2007, SL 2006-227 amends this statute to provide that \$200,000 of the net proceeds of the excise tax collected on unfortified wine be transferred to the Department of Commerce each quarter [previously, the transfer amounted to net proceeds of the excise taxes collected on unfortified and fortified wine bottled in the State (not to exceed \$500,000 annually)]. The earmarked amount was allocated to the North Carolina Wine and Grape Growers Council to promote the North Carolina grape and wine industry and to contract for research and development services to improve viticultural and enological practices in the State. Effective October 1, 2008, SL 2008-107 amends the quarterly transfer provision stipulating that the original \$200,000 allocation be designated for industry promotion and that an additional \$25,000 of the net proceeds of tax collected on unfortified wine be designated on a quarterly basis for the purpose of research and development. Statutory provisions of the allocation in terms of amount and designation have been periodically adjusted since the enactment of the transfer in 1987 when the annual allocation was capped at \$90,000. Effective July 1, 2009, SL 2009-451 repeals the statutory requirement provisions for the transfer.

Refer to *Alcoholic Beverage Tax Net Collections By Type*, *Collections of Fortified and Unfortified Wine Excise Taxes*, and *Collections of Beer [Malt Beverage] and Spirituous Liquor Excise Taxes and Liquor [Mixed Beverages] Surcharge* tables and figures for rates, tax collections, and law changes pertaining to the various types of alcoholic beverages.

Figure 11.1 Alcoholic Beverage Tax Net Collections



Alcoholic beverage tax net collections amounts in the above chart are after deduction of the 2% discount allowed to eligible wholesalers or importers and refunds, and before deduction of the local share reserves: net proceeds to General Fund amounts are after deduction of various collection fees and local share reserves. SL 2009-451 increases the excise tax rates (effective September 1, 2009) as follows: the liquor excise tax rate levied on liquor sold in ABC stores increased from 25% to 30%; the beer [malt beverage] excise tax rate increased from 53.17¢ to 61.71¢ per gallon; the fortified wine excise tax rate increased from 24¢ to 29.34¢ per liter (\$0.91 to \$1.11 per gallon); and the unfortified wine excise tax rate increased from 21¢ to 26.34¢ per liter (\$0.79 to \$1.00) per gallon.

†On March 10, 2020, Governor Roy Cooper signed Executive Order 116 declaring a state of emergency in response to the pandemic. The Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of the receipt of certain tax collections from the fiscal year ended June 2020 to the fiscal year ended June 2021.

TABLE 12. ALCOHOLIC BEVERAGE TAX NET COLLECTIONS BY TYPE
[§ 105 ARTICLE 2C.]

Alcoholic beverage tax type/ Local share reserve/ Intergovernmental transfers	Fiscal Year														
	2008-2009			2009-2010 [‡]			2010-2011			2011-2012			2012-2013		
	Collection amount [\$]	% of total	YoY % change	Collection amount [\$]	% of total	YoY % change	Collection amount [\$]	% of total	YoY % change	Collection amount [\$]	% of total	YoY % change	Collection amount [\$]	% of total	YoY % change
Alcoholic beverage tax type:															
Beer (malt beverages)	100,332,391	38.18%	-0.91%	110,514,793	37.69%	10.15%	114,551,504	37.04%	3.65%	115,472,726	35.91%	0.80%	115,698,892	34.93%	0.20%
Fortified wine	848,605	0.32%	-6.67%	854,060	0.29%	0.64%	814,755	0.26%	-4.60%	788,506	0.25%	-3.22%	770,210	0.23%	-2.32%
Unfortified wine	15,163,494	5.77%	2.99%	18,701,084	6.38%	23.33%	21,407,583	6.92%	14.47%	22,192,483	6.90%	3.67%	23,202,276	7.00%	4.55%
Spirituos liquor	134,215,336	51.08%	4.55%	151,024,406	51.50%	12.52%	160,259,549	51.81%	6.12%	169,704,562	52.77%	5.89%	177,418,778	53.56%	4.55%
Liquor [mixed beverages] surcharge	12,208,203	4.65%	-11.30%	12,130,887	4.14%	-0.63%	12,263,304	3.96%	1.09%	13,417,967	4.17%	9.42%	14,141,584	4.27%	5.39%
Total beverage net tax collections	262,768,029	100.00%	1.45%	293,225,229	100.00%	11.59%	309,296,694	100.00%	5.48%	321,576,244	100.00%	3.97%	331,231,740	100.00%	3.00%
Local share reserve	33,379,600	12.70%	0.93%	10,860,329	3.70%	-67.46%	34,021,288	11.00%	213.26%	34,110,110	10.61%	0.26%	32,555,824	9.83%	-4.56%
Department of Commerce transfer ^{††}	875,000	0.33%	9.38%	-	-	-100.00%	-	-	-	-	-	-	-	-	-
OSBM Civil Penalty/Forfeiture Fund	54,627	0.02%	113.94%	47,737	0.02%	-12.61%	81,445	0.03%	70.61%	102,614	0.03%	25.99%	35,930	0.01%	-64.99%
Collection cost of fines/forfeitures	230	0.00%	120.29%	221	0.00%	-4.01%	352	0.00%	59.44%	422	0.00%	20.11%	144	0.00%	-65.84%
Net collections to General Fund	228,458,572	86.94%	1.48%	282,316,942	96.28%	23.57%	275,193,609	88.97%	-2.52%	287,363,097	89.36%	4.42%	298,639,842	90.16%	3.92%

Alcoholic beverage tax type/ Local share reserve/ Intergovernmental transfers	Fiscal Year														
	2013-2014			2014-2015			2015-2016 [†]			2016-2017			2017-2018		
	Collection amount [\$]	% of total	YoY % change	Collection amount [\$]	% of total	YoY % change	Collection amount [\$]	% of total	YoY % change	Collection amount [\$]	% of total	YoY % change	Collection amount [\$]	% of total	YoY % change
Alcoholic beverage tax type:															
Beer (malt beverages)	115,643,022	33.82%	-0.05%	117,666,274	32.83%	1.75%	120,572,033	31.97%	2.47%	121,031,497	30.78%	0.38%	121,947,689	29.73%	0.76%
Fortified wine	772,565	0.23%	0.31%	760,728	0.21%	-1.53%	719,473	0.19%	-5.42%	676,053	0.17%	-6.03%	644,025	0.16%	-4.74%
Unfortified wine	24,477,278	7.16%	5.50%	25,713,643	7.17%	5.05%	26,761,297	7.10%	4.07%	27,394,039	6.97%	2.36%	28,763,369	7.01%	5.00%
Spirituos liquor	186,694,439	54.60%	5.23%	199,586,988	55.69%	6.91%	213,345,450	56.57%	6.89%	227,391,099	57.83%	6.58%	240,830,751	58.72%	5.91%
Liquor [mixed beverages] surcharge	14,324,659	4.19%	1.29%	14,663,747	4.09%	2.37%	15,761,756	4.18%	7.49%	16,700,758	4.25%	5.96%	17,981,308	4.38%	7.67%
Total beverage net tax collections	341,911,963	100.00%	3.22%	358,391,379	100.00%	4.82%	377,160,009	100.00%	5.24%	393,193,446	100.00%	4.25%	410,167,142	100.00%	4.32%
Local share reserve	35,723,179	10.45%	9.73%	39,525,134	11.03%	10.64%	37,020,719	9.82%	-6.34%	39,534,929	10.05%	6.79%	38,859,777	9.47%	-1.71%
Department of Commerce transfer ^{††}	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OSBM Civil Penalty/Forfeiture Fund	193,113	0.06%	437.47%	135,852	0.04%	-29.65%	42,563	0.01%	-68.67%	54,393	0.01%	27.80%	186,230	0.05%	242.38%
Collection cost of fines/forfeitures	776	0.00%	437.46%	559	0.00%	-27.89%	146	0.00%	-73.95%	240	0.00%	65.00%	823	0.00%	242.38%
Net collections to General Fund	305,994,895	89.50%	2.46%	318,729,834	88.93%	4.16%	340,096,582	90.17%	6.70%	353,603,883	89.93%	3.97%	371,120,312	90.48%	4.95%

Alcoholic beverage tax type/ Local share reserve/ Intergovernmental transfers	Fiscal Year														
	2018-2019			2019-2020			2020-2021			2021-2022			2022-2023 ^P		
	Collection amount [\$]	% of total	YoY % change	Collection amount [\$]	% of total	YoY % change	Collection amount [\$]	% of total	YoY % change	Collection amount [\$]	% of total	YoY % change	Collection amount [\$]	% of total	YoY % change
Alcoholic beverage tax type:															
Beer (malt beverages)	123,728,839	28.40%	1.46%	112,465,083	24.95%	-9.10%	140,079,730	26.32%	24.55%	127,844,349	22.88%	-8.73%	126,282,655	21.45%	-1.22%
Fortified wine	615,339	0.14%	-4.45%	524,059	0.12%	-14.83%	539,065	0.10%	2.86%	606,587	0.11%	12.53%	660,477	0.11%	8.88%
Unfortified wine	29,635,196	6.80%	3.03%	29,812,678	6.61%	0.60%	33,172,876	6.23%	11.27%	33,209,292	5.94%	0.11%	32,568,321	5.53%	-1.93%
Spirituos liquor (includes antique) [†]	262,418,754	60.24%	8.96%	291,938,783	64.76%	11.25%	342,820,811	64.41%	17.43%	373,052,188	66.75%	8.82%	403,064,170	68.47%	8.04%
Liquor [mixed beverages] surcharge	19,216,986	4.41%	6.87%	16,078,088	3.57%	-16.33%	15,613,097	2.93%	-2.89%	24,149,441	4.32%	54.67%	26,129,467	4.44%	8.20%
Total beverage net tax collections	435,615,113	100.00%	6.20%	450,818,692	100.00%	3.49%	532,225,577	100.00%	18.06%	558,861,858	100.00%	5.00%	588,705,091	100.00%	5.34%
Local share reserve	39,594,186	9.09%	1.89%	40,083,680	8.89%	1.24%	39,461,620	7.41%	-1.55%	37,661,809	6.74%	-4.56%	43,737,412	7.43%	16.13%
Department of Commerce transfer ^{††}	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
OSBM Civil Penalty/Forfeiture Fund	159,283	0.04%	-14.47%	122,928	0.03%	-22.82%	171,525	0.03%	39.53%	-	-	-100.00%	290,085	0.05%	-
Collection cost of fines/forfeitures	768	0.00%	-6.66%	580	0.00%	-24.44%	845	0.00%	45.50%	-	-	-100.00%	1,107	0.00%	-
Net collections to General Fund	395,860,876	90.87%	6.67%	410,611,503	91.08%	3.73%	492,591,588	92.55%	19.97%	521,200,049	93.26%	5.81%	544,676,486	92.52%	4.50%

TABLE 12. - Continued

State license taxes for alcoholic beverages were repealed effective May 1, 1999.

^P=Preliminary

On March 10, 2020, Governor Roy Cooper signed Executive Order 116 declaring a state of emergency in response to the pandemic. The Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of the receipt of certain tax collections from the fiscal year ended June 2020 to the fiscal year ended June 2021.

Alcoholic beverage tax type assignment is based on taxpayer-reported information submitted on the various alcoholic beverages excise tax forms that is available at the time of statistical summary preparation. Compilations consist of information reflecting variable audit and edit status that is subject to and may reflect inconsistencies and omissions resultant of taxpayer and/or processing error.

Alcoholic beverage tax type collection amounts shown in the above table are after deduction of the 2% discount allowed to eligible wholesalers or importers and refunds, exclude collection fees on overdue tax debts (§ 105-243.1), and are before deduction of the local share reserve.

‡SL 2009-451, s. 27A.4(a), effective September 1, 2009, and applicable to liquor sold and to malt beverages and wine first sold or otherwise disposed of on or after that date, increases the excise tax rates and, accordingly, reduces the local government distributable share percentages of the beer and wine excise taxes net proceeds.

The liquor excise tax rate that is levied on liquor sold in ABC stores increased from 25% to 30%.

The beer [malt beverage] excise tax rate increased from 53.177¢ to 61.71¢ per gallon and the local government distributable share percentage was reduced from 23.75% to 20.47% (7.24% applies for beer excise taxes collected during the 12-month collection period ending March 31, 2010).

The fortified wine excise tax rate increased from 24¢ to 29.34¢ per liter (\$0.91 to \$1.11 per gallon) and the local government distributable share percentage was reduced from 22% to 18% (6.49% applies for fortified wine excise taxes collected during the 12-month collection period ending March 31, 2010).

The unfortified wine excise tax rate increased from 21¢ to 26.34¢ per liter (\$0.79 to \$1.00 per gallon) and the local government distributable share percentage was reduced from 62% to 49.44% (18% applies for fortified wine excise taxes collected during the 12-month collection period ending March 31, 2010).

Pursuant to § 18B-804, alcoholic beverage pricing, a charge of \$20 on each 4 liters and a proportional sum on lesser quantities is assessed on spirituous liquor sold to a mixed beverage permittee for resale in mixed beverages or on spirituous liquor sold to a cabinet guest room permittee for resale.

Liquor surcharge (State share of mixed beverages surcharge): pursuant to § 18B-805, the local board pays to the Department of Revenue 1/2 of both the mixed beverages surcharges required by § 18B-804(b)(8) and the guest room cabinet surcharge required by § 18B-804(b)(9).

Effective February 1, 2002, the excise tax rate on liquor sold in ABC stores was reduced from 28% to 25% due to the enactment of a 6% State sales tax on spirituous liquor effective December 1, 2001. Effective October 1, 2005, the 6% State sales tax rate increased to the combined general rate of 7% and declined to 6.75% effective December 1, 2006.

Effective April 1, 2008, the combined general rate increased from 6.75% to 7%. Effective September 1, 2009, the excise tax rate increased from 25% to 30%; additionally, a temporary additional 1% State sales and use tax rate was imposed and expired on July 1, 2011: the combined general rate temporarily increased from 7% to 8% during this period.

†SL 2015-98 authorizes and regulates the sale of antique spirituous liquor (spirituous liquor that has not been in production or bottled in the last twenty (20) years, is in the original manufacturer's unopened container, is not owned by a distillery, and is not otherwise available for purchase by an ABC Board except through the special order process pursuant to § 18B-1001(20)). [Effective September 1, 2015]

Alcoholic beverage discount [applies to beer and wine excise taxes]:

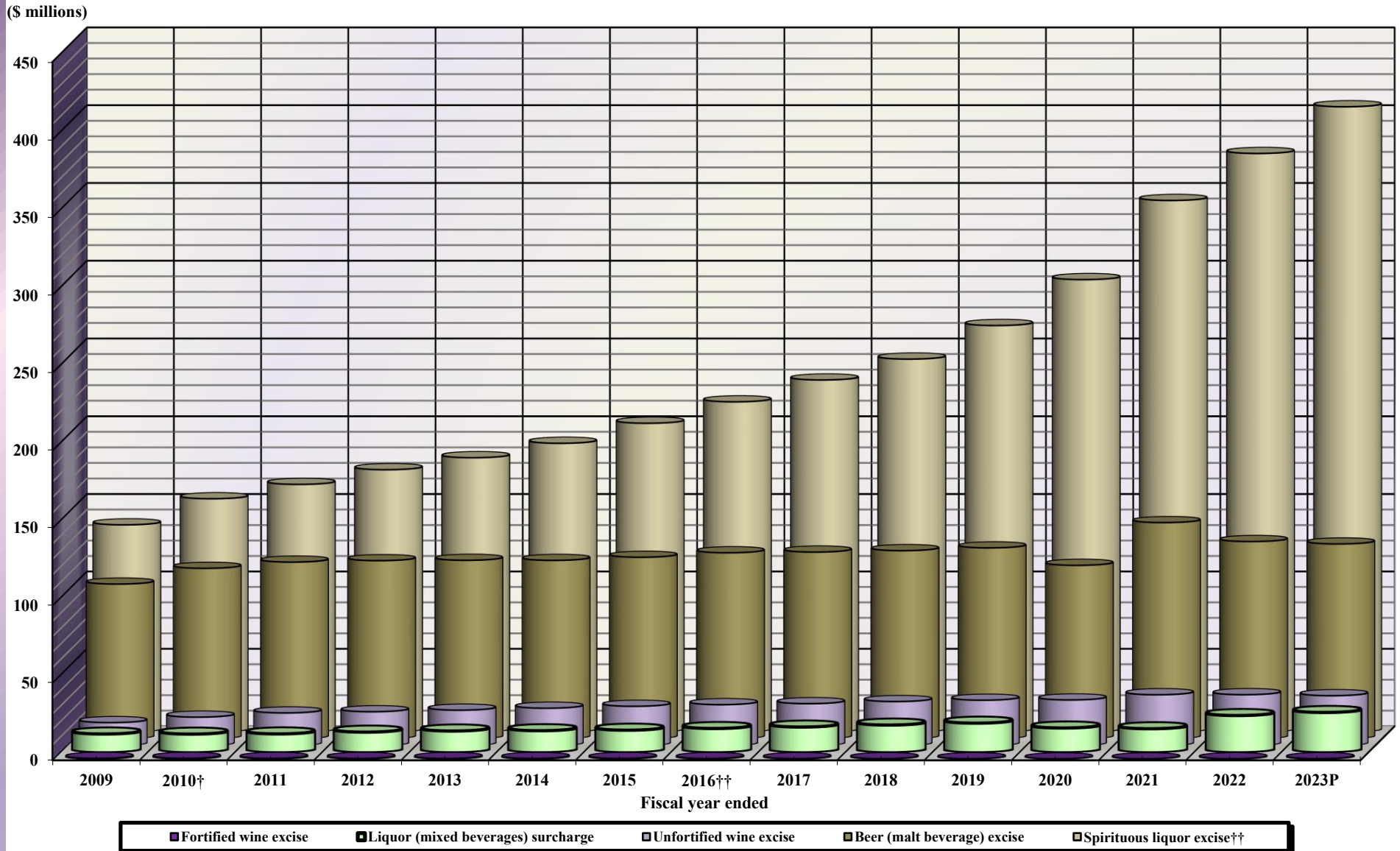
Effective for reporting periods beginning on or after August 1, 2004, § 105-113.85 was reenacted to reinstate a discount to wholesalers or importers who both timely file the monthly alcoholic beverage tax report and timely pay the tax due. The discount is 2%. [The discount under prior law was 4% and had been repealed effective for reporting periods beginning on or after August 1, 2003.]

Local share reserve: amounts represent revenues placed in reserve during the fiscal year designated and are the computed local government shares based on net collections for the preceding 12-month period ending March 31 of the indicated fiscal year.

††Department of Commerce transfer (§ 105-113.81A):

Effective July 1, 2007, \$200,000 of the net proceeds of the excise tax collected on unfortified wine was required to be credited to the Department of Commerce on a quarterly basis [previously, the transfer amounted to net proceeds of the excise taxes collected on unfortified and fortified wine bottled in the State (not to exceed \$500,000 annually)]. The earmarked amount was allocated to the North Carolina Wine and Grape Growers Council to promote the North Carolina grape and wine industry and to contract for research and development services to improve viticultural and enological practices in the State. Effective October 1, 2008, SL 2008-107 amends the quarterly transfer provision stipulating that the original \$200,000 allocation be designated for industry promotion and that an additional \$25,000 of the net proceeds of tax collected on unfortified wine be designated on a quarterly basis for the purpose of research and development. Statutory provisions of the allocation in terms of amount and designation have been periodically adjusted since the enactment of the transfer in 1987 when the annual allocation was capped at \$90,000. Effective July 1, 2009, SL 2009-451 repeals the transfer provision.

Figure 12.1 Alcoholic Beverage Tax Net Collections By Type



P=Preliminary. †Rate increases effective September 1, 2009: beer [malt beverage], 53.177¢ to 61.71¢/gallon; fortified wine, 24¢ to 29.34¢/ liter (91¢ to \$1.11/gallon); unfortified wine, 21¢ to 26.34¢/liter (79¢ to \$1)/gallon; spirituous liquor, 25% to 30%. ††Effective September 1, 2015, spirituous liquor excise includes antique spirituous liquor.

TABLE 13. COLLECTIONS OF FORTIFIED AND UNFORTIFIED WINE EXCISE TAXES
[§ 105 ARTICLE 2C.]

Fiscal year	Wine Excise Tax											Total wine excise tax net collections [\$]	State sales tax rate in effect for period [%]	Commerce transfer [formerly credited to DOACS] [\$]
	Fortified wine excise tax					Unfortified wine excise tax								
	Fortified wine tax collections				Tax rate: [¢ per liter]	Unfortified wine tax collections				Tax rate: [¢ per liter]				
	Total net collections [\$]	YoY % change	State share [\$]	Local share reserve [\$]		Total net collections [\$]	YoY % change	State share [\$]	Local share reserve [\$]					
2008-09.....	848,605	-6.67%	654,421	194,184	24	15,163,494	2.99%	5,820,567	9,342,927	21	16,012,099	4.5	875,000	
2009-10‡.....	854,060	0.64%	800,853	53,207	24, 29.34	18,701,084	23.33%	15,569,995	3,131,088	21, 26.34	19,555,143	4.5, 5.5, 5.75	-	
2010-11.....	814,755	-4.60%	662,955	151,801	29.34	21,407,583	14.47%	11,112,689	10,294,894	26.34	22,222,338	5.75	-	
2011-12.....	788,506	-3.22%	679,918	108,588	"	22,192,483	3.67%	13,510,010	8,682,473	"	22,980,989	4.75	-	
2012-13.....	770,210	-2.32%	734,224	35,986	"	23,202,276	4.55%	11,910,624	11,291,652	"	23,972,486	"	-	
2013-14.....	772,565	0.31%	621,374	151,192	"	24,477,278	5.50%	11,508,274	12,969,004	"	25,249,843	"	-	
2014-15.....	760,728	-1.53%	610,623	150,105	"	25,713,643	5.05%	12,364,811	13,348,832	"	26,474,371	"	-	
2015-16.....	719,473	-5.42%	597,969	121,504	"	26,761,297	4.07%	14,584,877	12,176,420	"	27,480,770	"	-	
2016-17.....	676,053	-6.03%	537,264	138,789	"	27,394,039	2.36%	12,894,811	14,499,228	"	28,070,092	"	-	
2017-18.....	644,025	-4.74%	527,962	116,063	"	28,763,369	5.00%	14,780,562	13,982,807	"	29,407,393	"	-	
2018-19.....	615,339	-4.45%	503,836	111,503	"	29,635,196	3.03%	15,127,281	14,507,915	"	30,250,534	"	-	
2019-20.....	524,059	-14.83%	425,598	98,461	"	29,812,678	0.60%	14,999,423	14,813,255	"	30,336,738	"	-	
2020-21.....	539,065	2.86%	459,150	79,915	"	33,172,876	11.27%	19,582,743	13,590,133	"	33,711,940	"	-	
2021-22.....	606,587	12.53%	524,291	82,296	"	33,209,292	0.11%	20,135,395	13,073,898	"	33,815,880	"	-	
2022-23.....	660,477	8.88%	529,234	131,244	"	32,568,321	-1.93%	15,290,129	17,278,193	"	33,228,798	"	-	

State license taxes were repealed effective May 1, 1999.

On March 10, 2020, Governor Roy Cooper signed Executive Order 116 declaring a state of emergency in response to the pandemic. The Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of the receipt of certain tax collections from the fiscal year ended June 2020 to the fiscal year ended June 2021.

Net collection amounts of fortified and unfortified wine excise taxes are after deduction of refunds and before deductions of local share reserves and transfers to the Department of Commerce to be allocated to the North Carolina Wine and Grape Growers Council.

Legislative changes affecting local share allocation and method of funding payments:

Amounts shown for local share reserve are the computed local government shares based on net collections for the preceding 12-month period ending March 31 of the indicated fiscal year; the State share reflects the amount of collections transferred to the General Fund for the indicated fiscal year.

The 1993 General Assembly rewrote § 105-113.82 converting the annual *appropriation* of a portion of the net excise taxes collected on the sale of wine during the preceding 12-month period ending September 30 of each year to an annual *distribution* based on sales for the preceding 12-month period ending March 31 of each year. Legislation became effective July 1, 1995.

‡SL 2009-451, s. 27A.4(a), effective September 1, 2009, and applicable to fortified and unfortified wine first sold or otherwise disposed of on or after that date, increases the excise tax rates and, accordingly, reduces the local government distributable share percentages of the fortified and unfortified wine excise taxes net proceeds. The legislation specifies a temporary additional reduction in the percentage of the net amount of excise taxes distributable to local governments for the taxes collected during the 12-month collection period ending March 31, 2010.

The fortified wine excise tax rate increased from 24¢ to 29.34¢ per liter (\$0.91 to \$1.11 per gallon) and the local government distributable share percentage was reduced from 22% to 18% (6.49% applies for fortified wine excise taxes collected during the 12-month collection period ending March 31, 2010).

The unfortified wine excise tax rate increased from 21¢ to 26.34¢ per liter (\$0.79 to \$1.00 per gallon) and the local government distributable share percentage was reduced from 62% to 49.44% (18% applies for fortified wine excise taxes collected during the 12-month collection period ending March 31, 2010).

Fortified/unfortified wine definitions effective October 1, 2004:

Fortified wine is wine having an alcoholic content of more than 16% with a maximum content of 24%; under prior law, wine was considered to be fortified if any amount of brandy had been added.

Unfortified wine can have brandy added to it as long as the final product does not have an alcoholic content of more than 16%; under prior law, unfortified wine could not have any brandy added.

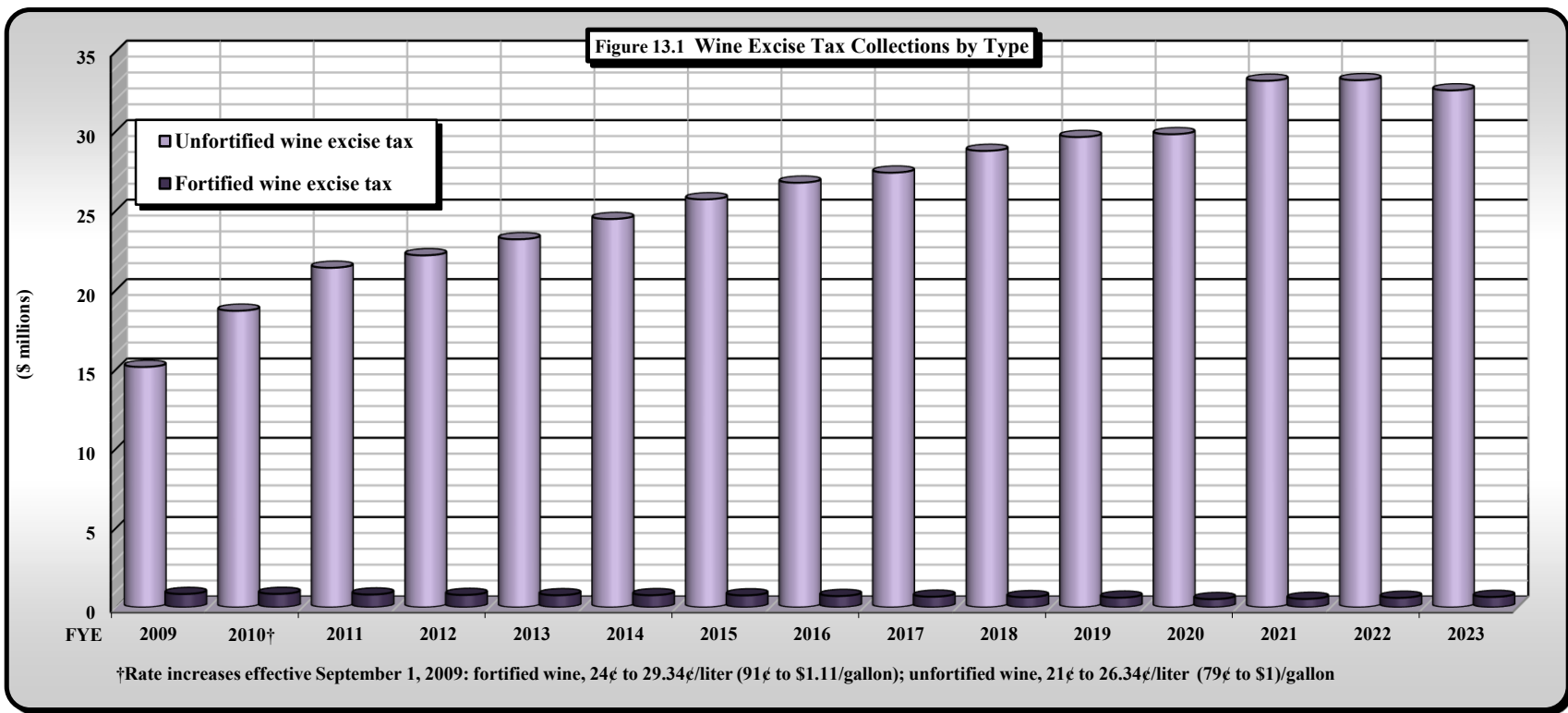
Alcoholic beverage discount:

Effective for reporting periods beginning on or after August 1, 2004, § 105-113.85 was reenacted to reinstate a discount to wholesalers or importers who both timely file the monthly alcoholic beverage tax report and timely pay the tax due. The discount is 2%. [The discount under prior law was 4% and had been repealed effective for reporting periods beginning on or after August 1, 2003.]

Sales tax rate changes:

The sale price of fortified wine includes State and local sales taxes. (§ 18B-804(c))

Effective October 16, 2001, the rate increased from 4% to 4.5%; effective December 1, 2006, the rate decreased to 4.25%; effective October 1, 2008, the rate increased to 4.5%; effective September 1, 2009, the rate increased to 5.5% (5.75% effective October 1, 2009). Effective July 1, 2011, the rate decreased to 4.75%. Local rate not shown.



On March 10, 2020, Governor Roy Cooper signed Executive Order 116 declaring a state of emergency in response to the pandemic. The Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of the receipt of certain tax collections from the fiscal year ended June 2020 to the fiscal year ended June 2021.

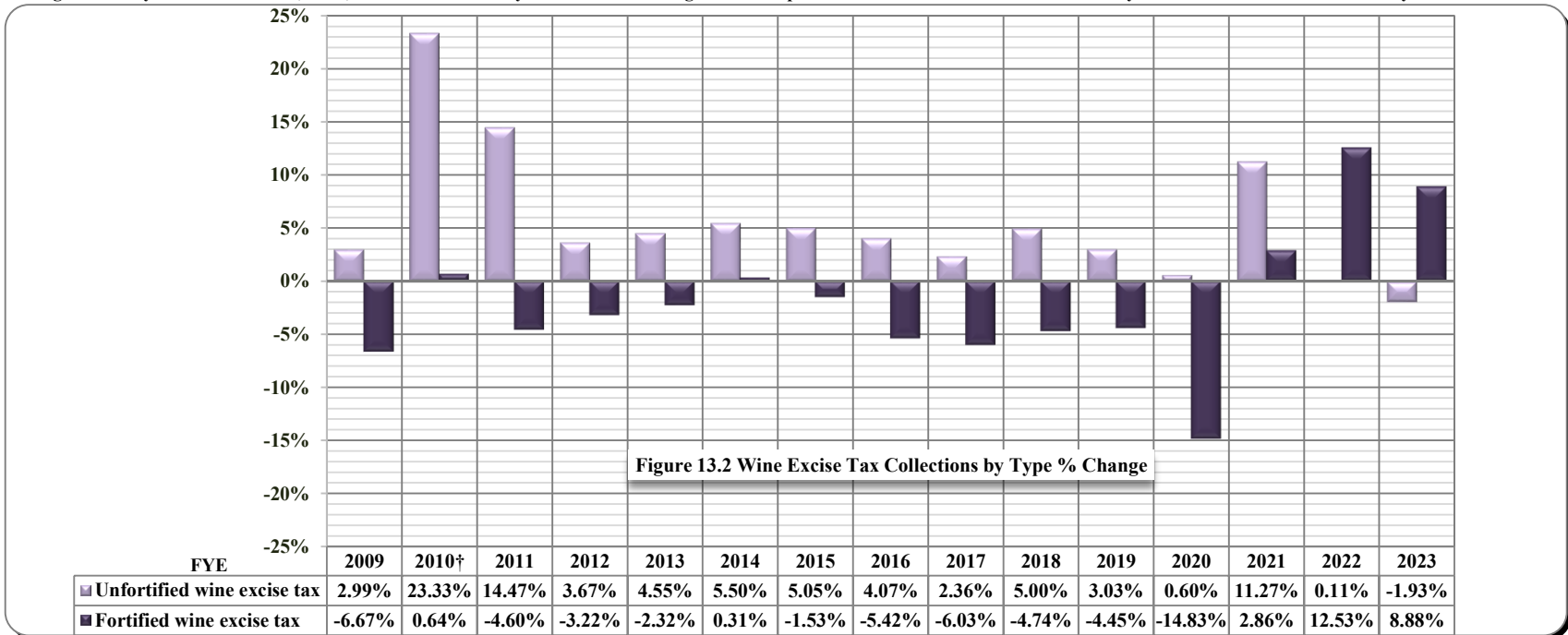


TABLE 14. COLLECTIONS OF BEER [MALT BEVERAGE] AND SPIRITUOUS LIQUOR EXCISE TAXES AND LIQUOR [MIXED BEVERAGES] SURCHARGE [§ 105 ARTICLE 2C.: § 18B.]

Fiscal year	Beer [Malt Beverage] Excise Tax					Spirituos Liquor Excise Tax†			Mixed Beverages Surcharge††	
	Total net collections [S]	YoY % change	Beer excise tax rate [¢ per gallon]	State share [S]	Local share reserve [S]	Total net collections [S]	YoY % change	Liquor excise tax rate [%]	Total net collections [S]	YoY % change
2008-09.....	100,332,391	-0.91%	53.177	76,489,902	23,842,489	134,215,336	4.55%	25	12,208,203	-11.30%
2009-10‡.....	110,514,793	10.15%	61.71	102,838,759	7,676,034	151,024,406	12.52%	30	12,130,887	-0.63%
2010-11.....	114,551,504	3.65%	"	90,976,910	23,574,594	160,259,549	6.12%	"	12,263,304	1.09%
2011-12.....	115,472,726	0.80%	"	90,153,678	25,319,048	169,704,562	5.89%	"	13,417,967	9.42%
2012-13.....	115,698,892	0.20%	"	94,470,705	21,228,187	177,418,778	4.55%	"	14,141,584	5.39%
2013-14.....	115,643,022	-0.05%	"	93,040,039	22,602,983	186,694,439	5.23%	"	14,324,659	1.29%
2014-15.....	117,666,274	1.75%	"	91,640,077	26,026,197	199,586,988	6.91%	"	14,663,747	2.37%
2015-16.....	120,572,033	2.47%	"	95,849,239	24,722,794	213,345,450	6.89%	"	15,761,756	7.49%
2016-17.....	121,031,497	0.38%	"	96,140,555	24,890,942	227,391,099	6.58%	"	16,700,758	5.96%
2017-18.....	121,947,689	0.76%	"	97,186,782	24,760,907	240,830,751	5.91%	"	17,981,308	7.67%
2018-19.....	123,728,839	1.46%	"	98,754,071	24,974,768	262,418,754	8.96%	"	19,216,986	6.87%
2019-20.....	112,465,083	-9.10%	"	87,293,119	25,171,964	291,938,783	11.25%	"	16,078,088	-16.33%
2020-21.....	140,079,730	24.55%	"	114,288,158	25,791,572	342,820,811	17.43%	"	15,613,097	-2.89%
2021-22.....	127,844,349	-8.73%	"	103,338,734	24,505,615	373,052,188	8.82%	"	24,149,441	54.67%
2022-23 ^P	126,282,655	-1.22%	"	99,954,679	26,327,976	403,064,170	8.04%	"	26,129,467	8.20%

^P =Preliminary

Net collection amounts of beer excise tax are after deduction of refunds and before deductions of local share reserves. State license taxes were repealed effective May 1, 1999.

Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year (2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of the receipt of certain tax collections from the fiscal year ended in June 2020 to the fiscal year ended in June 2021.

Legislative changes affecting local share allocation and liquor and beer excise tax rates:

Amounts shown for local share reserve are the computed local government shares based on net collections for the preceding 12-month period ending March 31 of the indicated fiscal year;

the State share reflects the amount of collections transferred to the General Fund for the indicated fiscal year.

The 1993 General Assembly rewrote § 105-113.82 converting the annual *appropriation* of a portion of the net excise taxes collected on the sale of beer during the preceding 12-month period ending September 30 of each year to an annual *distribution* based on sales for the preceding 12-month period ending March 31 of each year. Legislation became effective **July 1, 1995**.

‡SL 2009-451, s. 27A.4(a), effective **September 1, 2009**, and applicable to liquor sold and to malt beverages first sold or otherwise disposed of on or after that date, increases the excise tax rates and, accordingly, reduces the local government distributable share percentage of the beer excise tax net proceeds.

The liquor excise tax rate that is levied on liquor sold in ABC stores increased from 25% to 30%.

The beer [malt beverage] excise tax rate increased from 53.177¢ to 61.71¢ per gallon and the local government distributable share percentage was reduced from 23.75% to 20.47% (7.24% applies for beer [malt beverage] excise taxes collected during the 12-month collection period ending March 31, 2010).

Alcoholic beverage discount:

Effective for reporting periods beginning on or after **August 1, 2004**, § 105-113.85 was reenacted to reinstate a discount to wholesalers or importers who both timely file the monthly alcoholic beverage tax report and timely pay the tax due. The discount is 2%. [The discount under prior law was 4% and had been repealed effective for reporting periods beginning on or after **August 1, 2003**.]

†SL 2015-98 authorizes and regulates the sale of antique spirituous liquor (spirituous liquor that has not been in production or bottled in the last twenty (20) years, is in the original manufacturer's unopened container, is not owned by a distillery, and is not otherwise available for purchase by an ABC Board except through the special order process pursuant to § 18B-1001(20)). [Effective September 1, 2015]

††Pursuant to § 18B-804, alcoholic beverage pricing, a charge of \$20 on each 4 liters and a proportional sum on lesser quantities is assessed on spirituous liquor sold to a mixed beverage permittee for resale in mixed beverages or on spirituous liquor sold to a cabinet guest room permittee for resale.

Liquor surcharge (State share of mixed beverages surcharge): pursuant to § 18B-805, the local board pays to the Department of Revenue 1/2 of both the mixed beverages surcharges required by § 18B-804(b)(8) and the guest room cabinet surcharge required by § 18B-804(b)(9).

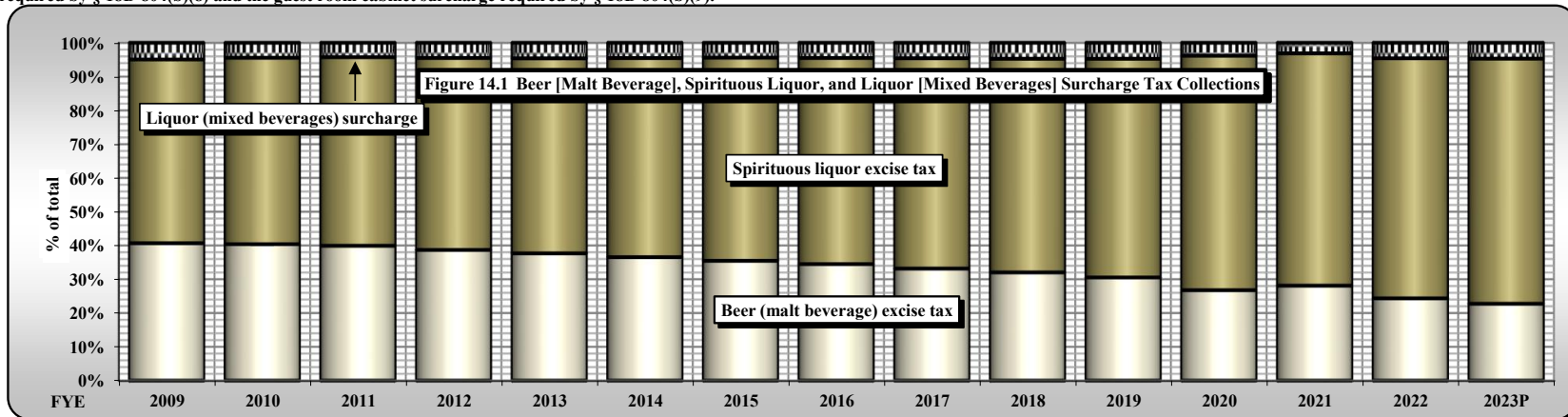


TABLE 15. UNAUTHORIZED SUBSTANCE TAXES COLLECTIONS
[§ 105 ARTICLE 2D.]

Fiscal year	Gross tax collections [S]	Refunds [S]	Net collections before transfers [S]	YoY % change	Distributions and Transfers							Net collections after distributions [S]	[The General Fund non-tax revenue represents the unencumbered tax proceeds collected by assessment not required to be paid to State and local law enforcement agencies.]
					DOR Administrative costs [§105-242] [S]	Collection fees on overdue tax debts [§105-243.1] [S]	OSBM Civil Penalty & Forfeiture Fund [§105-236] [S]	DOR Collection cost of fines/forfeitures [§115C-457.2] [S]	DOR reimbursement by law enforcement agencies [SL2006-66, s.19.4] [S]	Unencumbered proceeds [§105-113.113]			
										State/local law enforcement agencies [S]	General Fund non-tax revenue [S]		
2008-09...	8,831,377	196,096	8,635,280	-12.79%	92,893	706,483	507,346	2,135	2,692	5,765,799	1,929,418	(371,485)	
2009-10...	9,074,780	286,474	8,788,306	1.77%	92,199	666,377	457,136	2,113	49	5,518,309	1,792,655	259,468	
2010-11...	8,286,554	170,550	8,116,004	-7.65%	68,793	587,390	609,252	2,631	-	5,240,147	1,760,390	(152,599)	
2011-12...	8,402,176	132,496	8,269,680	1.89%	75,944	623,051	487,745	2,008	-	5,008,686	1,683,820	388,426	
2012-13...	8,176,727	294,050	7,882,677	-4.68%	67,195	639,515	601,293	2,415	-	5,099,929	1,701,333	(229,003)	
2013-14...	7,635,231	152,709	7,482,522	-5.08%	45,798	558,858	481,369	1,933	-	4,705,704	1,568,010	120,850	
2014-15...	6,586,783	169,279	6,417,504	-14.23%	37,593	540,316	536,924	2,210	-	4,131,235	1,377,621	(208,396)	
2015-16...	7,607,812	190,703	7,417,109	15.58%	45,910	583,331	710,668	2,997	-	4,630,579	1,680,615	(236,990)	
2016-17...	7,991,868	364,364	7,627,504	2.84%	56,915	570,687	558,620	2,469	-	4,342,993	1,306,397	789,424	
2017-18...	8,847,947	175,138	8,672,809	13.70%	23,490	697,697	738,580	3,264	-	5,775,321	2,109,684	(675,227)	
2018-19...	8,072,108	151,358	7,920,750	-8.67%	31,266	684,311	698,873	3,371	-	5,162,570	1,670,778	(330,420)	
2019-20...	7,217,620	87,439	7,130,180	-9.98%	49,470	607,052	584,445	2,760	-	4,747,719	1,513,646	(374,911)	
2020-21...	10,043,185	128,850	9,914,335	39.05%	21,750	706,907	863,674	4,253	-	5,561,298	1,771,598	984,854	
2021-22...	10,096,471	177,743	9,918,728	0.04%	44,020	752,754	778,538	3,205	-	5,497,682	2,182,241	660,288	
2022-23...	8,986,750	210,633	8,776,117	-11.52%	48,430	793,048	715,260	2,728	-	6,409,071	1,804,201	(996,622)	

Unauthorized substance tax rates and bases:

The excise tax levied under Article 2D is to generate revenue for State and local law enforcement agencies and for the General Fund. The tax was first imposed effective January 1, 1990.

Unauthorized substance

- Marijuana stems & stalks that have been separated from the plant
- Marijuana other than separated stems and stalks, or synthetic cannabinoids
- Cocaine
- Any other controlled substance that is sold by weight
- Any other controlled substance that is *not* sold by weight
- Any low-street-value drug that is not sold by weight
- Illicit spirituous liquor sold by the drink
- Illicit spirituous liquor *not* sold by the drink
- Mash
- Illicit mixed beverages

- Rate
- \$0.40 for each gram or fraction thereof
- \$3.50 for each gram or fraction thereof
- \$50.00 for each gram or fraction thereof
- \$200.00 for each gram or fraction thereof
- \$200.00 for each 10 dosage units or fraction thereof
- \$50.00 for each 10 dosage units or fraction thereof
- \$31.70 for each gallon or fraction thereof
- \$12.80 for each gallon or fraction thereof
- \$1.28 per gallon or fraction thereof
- \$20.00 on each 4 liters and a proportional sum on lesser quantities

- Minimum Quantity Before Tax is Due
- More than 42.5 grams
- More than 42.5 grams
- 7 or more grams
- 7 or more grams
- 10 dosage units
- 10 dosage units
- No minimum
- No minimum
- No minimum
- No minimum

When the tax was first imposed, the \$50 rate applicable to cocaine was \$200 per gram, and the \$200 rate applicable to drugs sold by dosage units was \$400. In *Lynn v. West*, the 4th U.S. Circuit Court of Appeals found the tax to be a criminal penalty; as a result, the rates were reduced effective October 31, 1998.

The statute specifies that the refund of a tax that has already been distributed is to first be drawn from the State Unauthorized Substances Tax Account. The amount of any refunded taxes that had been credited to the General Fund is to be subtracted from succeeding credits to the General Fund.

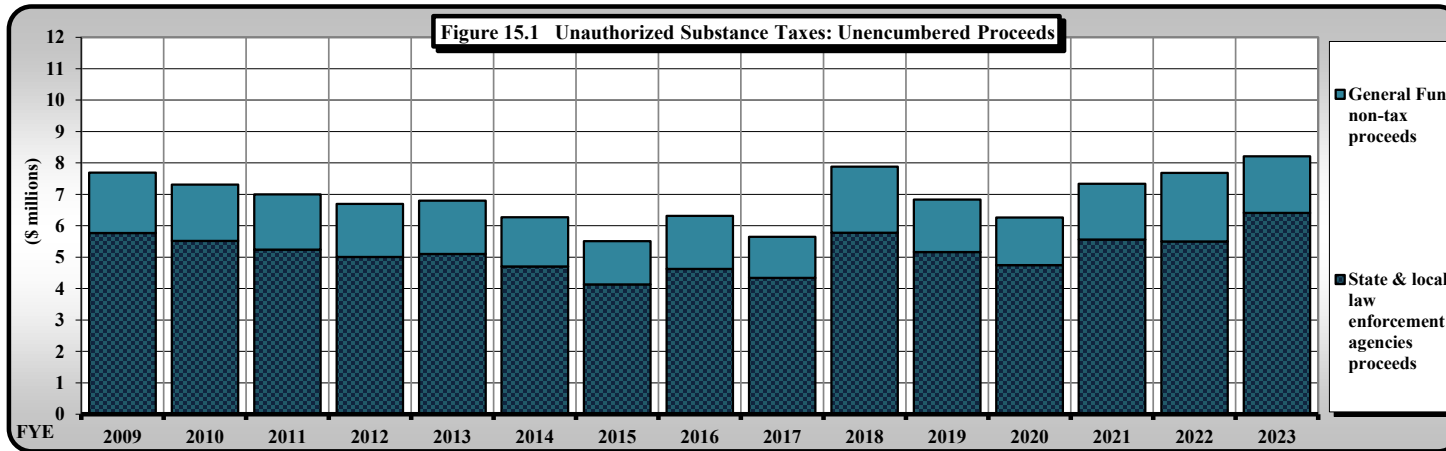


TABLE 16. FRANCHISE TAX COLLECTIONS
[§ 105 ARTICLE 3.]

[The Tax Simplification and Reduction Act of 2013 repeals §§ 105-116 and 105-116.1 effective July 1, 2014, applicable to gross receipts billed on or after that date.]†

[The categories for gas (repealed effective July 1, 1999) and telephone (repealed January 1, 2002) are retained for historical reference.]

Due to COVID-19 and in response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-21) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of certain tax revenues from fiscal year 2019-20 to fiscal year 2020-21.

Fiscal year	Franchise Tax Gross Collections						Refunds	Franchise Tax Net Collections Before & After Deductions										Year-over-year % change			
	Taxpayer Type				Total gross collections	Net collections before transfers/deductions		Collection fees on overdue tax debts	OSBM Civil Penalty & Forfeiture Fund	Collection cost of fines/forfeitures	Intergovernmental/inter-fund transfers SL 2009-451	Net collections to General Fund	Gross collections	Refunds	Net collections	Amount to General Fund					
	§ 105-116 Power	Gas	§ 105-116 Water & Sewer	Telephone													Other [Business Corporations, Burial Assns.]	§ 105-116.1 Municipal/local share††	Administrative costs		
2008-09	330,828,428	-	3,235,011	-	509,183,231	843,246,670	17,647,835	825,598,834	168,483,698	105,668	76,780	4,973,092	20,925	-	651,938,670	12.97%	150.47%	11.66%	13.49%		
2009-10	334,860,001	-	3,658,951	-	582,131,144	920,650,096	12,108,720	908,541,376	178,430,323	107,406	282,804	5,242,927	24,229	2,310	724,451,377	9.18%	-31.39%	10.05%	11.12%		
2010-11	340,671,401	-	4,920,624	-	473,310,864	818,902,889	17,879,536	801,023,352	188,267,524	109,700	136,303	4,806,389	20,757	182,327	607,500,353	-11.05%	47.66%	-11.83%	-16.14%		
2011-12	331,542,797	-	4,369,065	-	477,292,015	813,203,876	12,182,051	801,021,825	184,351,730	111,936	246,274	3,741,239	15,402	27,508	612,527,735	-0.70%	-31.87%	0.00%	0.83%		
2012-13	339,395,679	-	4,208,847	-	526,425,624	870,030,150	7,464,726	862,565,424	196,669,118	99,390	202,217	5,353,176	21,499	78,898	660,141,126	6.99%	-38.72%	7.68%	7.77%		
2013-14	343,338,249	-	3,858,691	-	568,697,709	915,894,648	11,791,384	904,103,264	203,353,181	-	200,431	3,494,245	14,033	28,881	697,012,493	5.27%	57.96%	4.82%	5.59%		
2014-15	21,399,211	-	1,331,404	-	578,630,712	601,361,327	52,237,690	549,123,637	-	-	148,162	4,833,423	19,899	-	544,122,153	-34.34%	343.02%	-39.26%	-21.94%		
2015-16	-	-	44,336	-	541,586,479	541,630,815	12,480,240	529,150,575	-	-	260,934	4,502,357	18,990	-	524,368,294	-9.93%	-76.11%	-3.64%	-3.63%		
2016-17	-	-	14,177	-	764,339,163	764,353,340	10,650,772	753,702,568	-	-	243,613	5,358,156	23,680	-	748,077,119	41.12%	-14.66%	42.44%	42.66%		
2017-18	-	-	15,405	-	696,602,991	696,618,395	22,155,614	674,462,782	-	-	254,566	5,139,262	22,713	-	669,046,241	-8.86%	108.02%	-10.51%	-10.56%		
2018-19	-	-	10,817	-	779,401,944	779,412,761	18,940,950	760,471,810	-	-	1,237,162	9,564,945	46,133	-	749,623,570	11.89%	-14.51%	12.75%	12.04%		
2019-20	-	-	36,143	-	673,553,926	673,590,069	19,113,967	654,476,103	-	-	548,528	7,939,567	37,492	-	645,950,515	-13.58%	0.91%	-13.94%	-13.83%		
2020-21	-	-	20,539	-	903,349,330	903,369,869	24,039,868	879,330,001	-	-	1,184,928	8,278,470	40,764	-	869,825,839	34.11%	25.77%	34.36%	34.66%		
2021-22	-	-	21,329	-	922,701,466	922,722,794	24,994,043	897,728,751	-	-	1,436,177	7,977,098	32,841	-	888,282,635	2.14%	3.97%	2.09%	2.12%		
2022-23	-	-	8,936	-	881,305,777	881,314,714	24,147,980	857,166,734	-	-	1,418,608	7,765,902	29,623	-	847,952,601	-4.49%	-3.39%	-4.52%	-4.54%		

Franchise tax rates and bases:

3 Alternate Bases: [SL 2015-241 and SL 2021-180 enact significant changes to the tax base that are identified in the following notes]:

- Business corporations: \$1.50 per \$1,000 of the largest of 3 alternate bases (effective for taxable years beginning before January 1, 2023. The tax base is net worth (effective for taxable years beginning on or after January 1, 2023).
- (1) net worth (previously *capital stock, surplus & undivided profits apportioned to NC*) [SL 2015-241 replaces this base with net worth effective with taxable years beginning in 2017.]
- (2) 55% of the appraised value of real & tangible property in NC [base eliminated by SL 2021-180 effective for taxable years beginning on or after January 1, 2023].
- (3) total actual investment in tangible property in NC [base eliminated by SL 2021-180 effective for taxable years beginning on or after January 1, 2023].
- SL 2021-180 simplifies the calculation of the business corporation franchise tax by eliminating the 55% of appraised value of NC property tax base and the investment in NC property tax base effective for taxable years beginning on or after January 1, 2023, and applicable to the calculation of franchise tax reported on the 2022 and later corporate income tax returns; net worth is the tax base.
- SL 2015-241 simplifies the calculation of the business corporation franchise tax and increases the annual minimum tax from \$35 to \$200; as amended by SL 2016-5, the franchise tax modifications are effective for taxable years beginning on or after January 1, 2017, and apply to the calculation of franchise tax reported on the 2016 and later corporate income tax return (effective date as amended, May 11, 2016).
- SL 2017-57 and -204 reduce the tax rate applicable to S Corporations: the tax rate is \$200 for the first \$1,000,000 of the tax base and \$1.50 per \$1,000 of the tax base portion that exceeds \$1,000,000 (minimum tax, \$200) effective for taxable years beginning on or after January 1, 2019, and applicable to the calculation of franchise tax reported on the 2018 and later corporate income tax returns.
- SL 2017-204 reinstates a deduction for indebtedness specifically incurred and existing solely for and as the result of any real estate purchase and real estate improvements effective for taxable years beginning on or after January 1, 2020; the deduction was previously eliminated in the 2015 franchise tax simplification changes.
- SL 2019-187 enacts State tax and regulatory relief provisions to help facilitate and expedite the State's recovery following a natural disaster: § 105-114(d) provides that the franchise tax does not apply to a nonresident business if the nonresident business derives income in North Carolina solely from performing disaster-related work during a disaster response period at the request of a critical infrastructure company (effective for disaster declarations made on or after August 1, 2019).
- SL 2020-58 simplifies the calculation for the addition of affiliated indebtedness used in calculating the net worth base, making it consistent with the interest deduction computed for income tax purposes (effective for taxable years beginning on or after January 1, 2021, and applicable to the calculation of franchise tax reported on the 2020 and later corporate income tax returns).
- SL 2023-134 enacts legislation to cap the franchise tax on the first \$1 million of the C Corporation tax base: for C Corporations, the tax rate is \$500 for the first \$1,000,000 of the corporation's tax base and \$1.50 per \$1,000 of the tax base portion that exceeds \$1,000,000, but in no case shall the tax be more than \$150,000 nor less than \$200 (effective for taxable years beginning on or after January 1, 2025, and applicable to the calculation of the franchise tax reported on the 2024 and later corporate income tax return.)

Repealed:

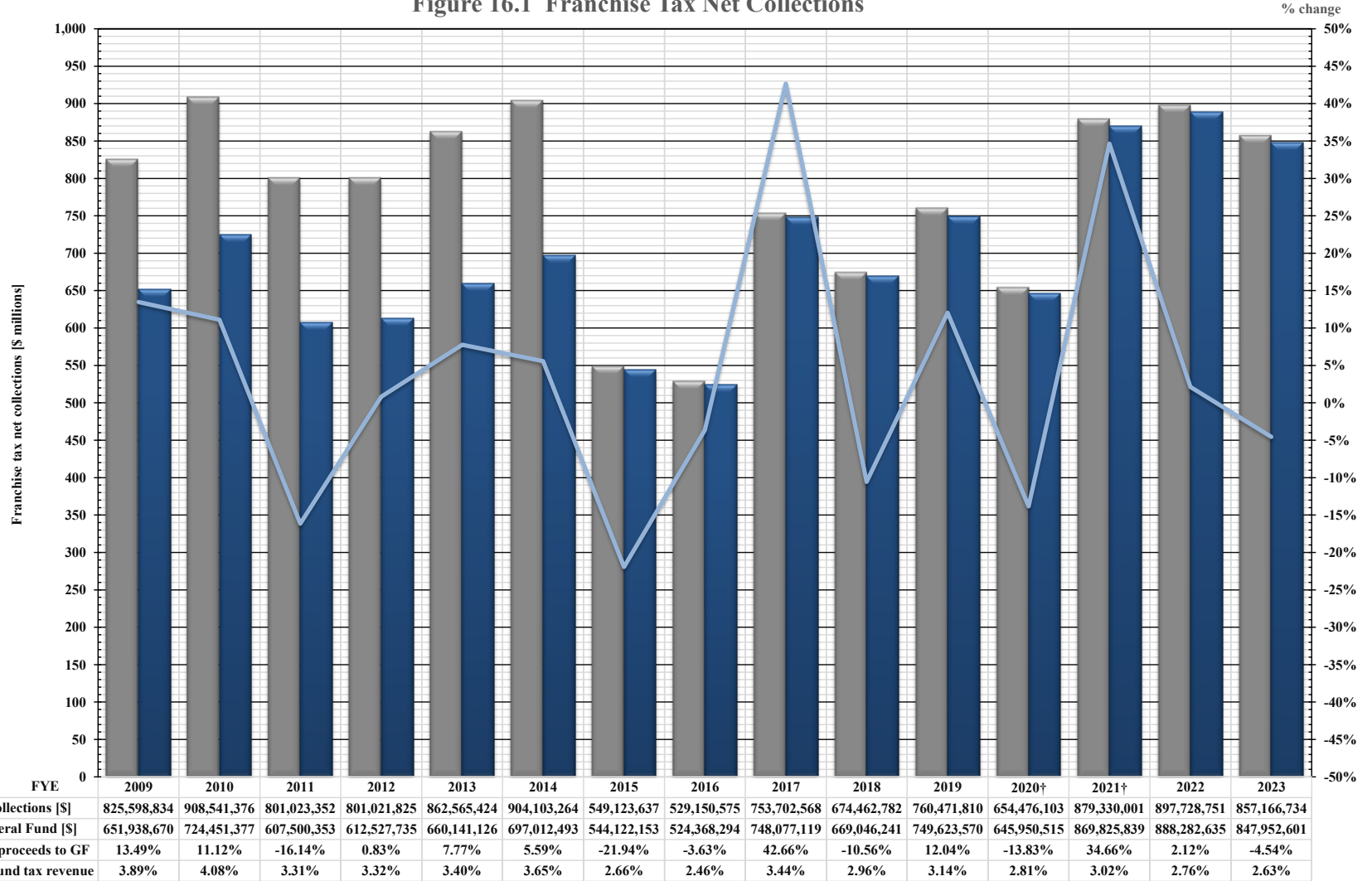
Utility franchise tax† :	Rate	Base
Power	3.22%	Gross receipts derived from furnishing power, electricity, electric lights, or current. [Repealed by SL 2013-316, s. 4.1(a).; gross receipts billed on or after July 1, 2014, are subject to the combined general rate under Article 5, § 105-164.4(a)(9) (reduced 3.5% rate provision applies to CHEMC for a one-year period).]
Gas	-----	Effective July 1, 1999, sales of piped natural gas became subject to the piped natural gas excise tax (previously subject to sales and franchise taxes). [SL 2013-316, s. 4.1(d) repeals the piped natural gas tax effective July 1, 2014; gross receipts billed on or after this date are subject to the 7% combined general rate of sales and use tax under § 105-164.4(a)(9) (reduced 3.5% rate provision applies to gas cities for a one-year period).]
Water	4%	Gross receipts from owning or operating a water system subject to regulation by the NC Utilities Commission. [Repealed by SL 2013-316, s. 4.1(a).]
Sewer	6%	Gross receipts from owning or operating a public sewerage company. [Repealed by SL 2013-316, s. 4.1(a).]
Telephone	-----	[Collection levels for fiscal years following repeal reflect payments related to tax liabilities incurred prior to repeal that were processed during the designated fiscal years.] Effective January 1, 2002, telecommunications reform legislation repeals the telephone franchise tax and concurrently enacts legislation that consolidated all taxes on telecommunications services into a single State sales tax rate of 6% [7% combined general rate effective October 1, 2005]. [6.75% effective December 1, 2006; 7% effective April 1, 2008; 8% effective September 1, 2009; 7% effective July 1, 2011]
Mutual burial association \$15-\$50 flat tax		Based on membership. [Repealed by SL 2016-5, s. 1.1(a) for taxes due on or after April 1, 2017.]

††Municipal/local share amounts reflect actual payments to municipalities during the fiscal year indicated.

2009-10 Corporate Resolution Initiative

A corporate resolution initiative launched during 2009 focused on corporate taxpayers with significant outstanding tax bills. Franchise tax collections include \$40,204,035 generated by the program.

Figure 16.1 Franchise Tax Net Collections



Article 3 of § 105 imposes a privilege tax levied on domestic corporations for the corporate rights and privileges granted by their charters, and the enjoyment of corporate powers, rights, privileges, and immunities under the laws of North Carolina, and on foreign corporations (corporations not organized under the laws of North Carolina) for the privilege of doing business in this State and for the benefit and protection they receive from the State's government and laws. In general, the franchise tax rate is \$1.50 per \$1,000 of the amount determined to be the largest of three bases: net worth, 55% of the appraised value of real and tangible personal property in the State, or total actual investment in tangible property in the State. Holding companies and certain corporations are subject to special franchise tax provisions. See Table 16 for additional information.

†On March 10, 2020, Governor Roy Cooper signed Executive Order 116 declaring a state of emergency in response to the pandemic. The Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting in the receipt of certain tax collections from the fiscal year ended in June 2020 to the fiscal year ended in June 2021.

**TABLE 17. STATE SALES AND USE TAX: ELECTRICITY, PIPED NATURAL GAS, TELECOMMUNICATIONS, AND VIDEO PROGRAMMING SERVICES
NET COLLECTIONS AND DISTRIBUTABLE PROCEEDS FOR 2022-2023
[§ 105 ARTICLE 5.]**

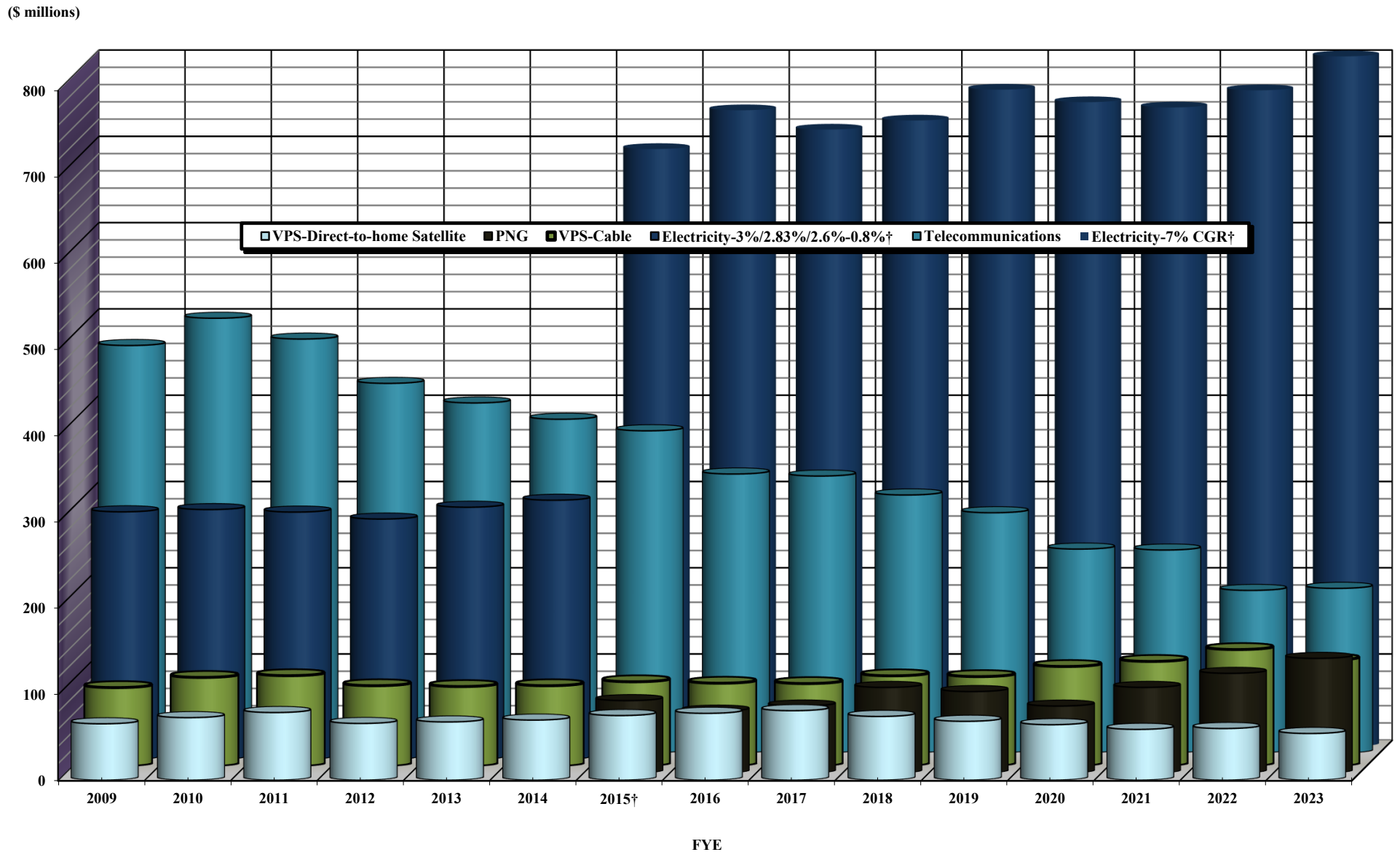
Gross receipts derived from sales of electricity and piped natural gas sold at retail and sourced to the State, and gross receipts derived from providing telecommunications service, ancillary service, and video programming services (cable and direct-to-home satellite) are subject to the 7% combined general rate of sales and use tax with provisions for local share allocation of net tax proceeds determined by statutory formula. The combined general rate is the State's general rate (4.75%) plus the rate of local tax authorized for every county in the State (2.25%).

Collections source	Tax base/ Local share allocation percentages	Net collections and local share allocations [based on July-June collections]											
		Electricity		Piped Natural Gas		Telecommunications		Video Programming					
		§ 105-164.4(a)(9); § 105-164.44K		§ 105-164.4(a)(9); § 105-164.44L		§ 105-164.4(a)(4c); § 105-164.44F(a)(1), (a)(2)		§ 105-164.4(a)(6); § 105-164.44I(a)(2), (a)(3)		Cable		Direct-to-home satellite	
		Net collections [S]	Local share allocation† [S]	Net collections [S]	Local share allocation† [S]	Net collections [S]	Local share allocation† [S]	Net collections [S]	Local share allocation [S]	Net collections [S]	Local share allocation [S]		
Electricity	Gross receipts derived from sales of electricity sold to consumers (other than qualifying sales to farmers and manufacturers) and billed on or after July 1, 2014. Electricity for use at certain datacenters and electricity transactions to certain recyclers are exempt from taxation. § 105-164.44K provides for a local share allocation equal to 44% of net tax proceeds collected on electricity, less administrative costs (effective for quarters beginning on or after July 1, 2014).	799,947,376	351,037,734	-	-	-	-	-	-	-	-	-	
Piped Natural Gas	Gross receipts derived from sales of piped natural gas sold to consumers (other than from a producer and qualifying sales to farmers, manufacturers, commercial laundry and dry cleaning establishments, and State agencies) and billed on or July 1, 2014. Piped natural gas transactions to certain recyclers and small power production facilities are exempt from taxation. § 105-164.44L provides for a local share allocation equal to 20% of net tax proceeds collected on piped natural gas, less administrative costs (effective for quarters beginning on or after July 1, 2014). [Gas cities receive amounts in addition to the excise tax share effective for quarters beginning on or after July 1, 2015.]	-	-	133,500,301	26,629,624	-	-	-	-	-	-	-	
Telecommunications	Gross receipts derived from providing telephone service (includes local, interstate, intrastate, toll, private telecommunications, mobile telecommunications services, and ancillary services). § 105-164.44F(a)(1) provides for a local share allocation equal to 18.70% of net tax proceeds (less a freeze deduction adjustment). § 105-164.44I provides for a local share allocation equal to 7.7% (specified in § 105-164.44F(a)(2)) of net tax proceeds (adjusted for supplemental PEG support) to partially replace repealed local cable television franchise taxes. PEG channel support funds	-	-	-	-	191,161,095	-	-	-	-	-	-	
							25,263,333						
							13,799,450						
							919,954						
Video Programming	Gross receipts derived from providing video programming services (cable and direct-to-home satellite). § 105-164.44I(a)(2) provides for a local share allocation equal to 23.6% of net tax proceeds (cable) and § 105-164.44I(a)(3) provides for a local share allocation equal to 37.1% of net tax proceeds (direct-to-home satellite) (adjusted for supplemental PEG support) to partially replace repealed local cable television franchise taxes. PEG channel support funds	-	-	-	-	-	-	123,598,071	-	-	54,224,508	-	
									27,346,348			18,860,043	
									1,822,797			1,257,249	
	Totals	799,947,376	351,037,734	133,500,301	26,629,624	191,161,095	39,982,737	123,598,071	29,169,145	54,224,508	20,117,292		

Note: [SL 2013-316, s. 4.1(a) repeals the franchise tax on electric power effective July 1, 2014, and applicable to gross receipts billed on or after that date; concurrently, such gross receipts are subject to the 7% combined general rate under Article 5, § 105-164.4(a)(9). SL 2013-316, s. 4.1(c) repeals the 2.83% preferential tax rate applicable to sales of electricity to laundries and pressing and dry cleaning establishments and the 3% rate effective for gross receipts billed on or after July 1, 2014; concurrently, transactions previously subject to the 2.83% and 3% preferential rates are subject to the 7% combined general rate. SL 2013-316, s. 4.1(d) repeals the piped natural gas excise tax effective July 1, 2014, and applicable to gross receipts billed on or after that date; concurrently, such gross receipts are subject to the 7% combined general rate under Article 5, § 105-164.4(a)(9). § 105-164.44K and § 105-164.44L provide for local share allocations of net tax proceeds generated from sales of electricity and piped natural gas.]

†HB 787 (SL 2005-433, s.10(a)) authorizes counties meeting certain requirements to receive a share of the distributable proceeds of utility franchise tax, piped natural gas excise tax, and sales and use tax levied on telecommunications services. Previously, only municipal governments participated in the distribution. An eligible county must contain either no incorporated areas or one incorporated municipality consisting of less than 100 acres within the county with land area primarily located in another county.

Figure 17.1. State Sales and Use Tax Net Collections: Electricity†, Piped Natural Gas†, Telecommunications Service, and Video Programming Service [Direct-to-Home Satellite and Cable]



The above chart compares net tax collections for services currently subject to the combined general rate: effective for transactions on/after September 1, 2009, the combined general rate increased from 7% to 8%; effective for transactions on/after July 1, 2011, the combined general rate declined from 8% to 7%.

†Prior to July 1, 2014, gross receipts derived from sales of electricity were subject to the franchise tax (3.22% rate) and to the applicable state sales and use tax rates (3% /2.83%/(2.6%-0.8%)). SL 2013-316, s. 4.1(a) repeals the franchise tax on electric power July 1, 2014, and applicable to gross receipts billed on/after that date; such gross receipts are now subject to the 7% combined general rate [CGR] under Article 5. § 105-164.4(a)(9). Concurrently, SL 2013-316, s. 4.1(c) repeals the 3% rate and the 2.83% preferential tax rate applicable to sales of electricity to laundries and pressing and dry cleaning establishments. SL 2013-316, s. 4.1(d) repeals the piped natural gas excise tax effective July 1, 2014, and applicable to gross receipts billed on/after that date; concurrently, such gross receipts are subject to the 7% combined general rate under Article 5. § 105-164.4(a)(9). [Refer to Table 44 for piped natural gas excise tax information (collections until repeal).]

Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of the receipt of certain tax collections from the fiscal year ended in June 2020 to the fiscal year ended in June 2021.

TABLE 18. PRIMARY FOREST PRODUCTS TAX NET COLLECTIONS
[§ 113A ARTICLE 12.]

Fiscal year	Net collections [\$]	Collection fees on overdue tax debts [\$]	Forest Development Fund [\$]	Net collections	
				Year-over-year change	
				Amount [\$]	% change
2008-09.....	1,739,811	16	1,739,795	(148,736)	-7.88%
2009-10.....	1,464,258	20	1,464,238	(275,553)	-15.84%
2010-11.....	1,610,648	164	1,610,484	146,389	10.00%
2011-12.....	1,562,014	126	1,561,887	(48,634)	-3.02%
2012-13.....	1,655,655	-	1,655,655	93,642	5.99%
2013-14.....	1,776,358	12	1,776,347	120,703	7.29%
2014-15.....	1,869,669	-	1,869,669	93,311	5.25%
2015-16.....	1,961,303	-	1,961,303	91,634	4.90%
2016-17.....	1,891,674	-	1,891,674	(69,629)	-3.55%
2017-18.....	1,912,596	-	1,912,596	20,922	1.11%
2018-19.....	1,824,339	550	1,823,789	(88,257)	-4.61%
2019-20.....	1,725,139	791	1,724,348	(99,200)	-5.44%
2020-21.....	1,801,672	284	1,801,388	76,533	4.44%
2021-22.....	1,724,614	714	1,723,901	(77,058)	-4.28%
2022-23.....	1,507,287	705	1,506,582	(217,327)	-12.60%

Primary forest products tax rates and bases:

The tax applies to all primary forest products harvested from lands in the State. Christmas trees and associated greens, material harvested from and used on an individual's own land, and fuel wood harvested for use in individual homes are not considered primary forest products for the purposes of the Primary Forest Product Assessment Act and are, therefore, exempt from the tax.

The rates of the tax vary according to the type of wood and kind of product:

\$.50 per 1,000 board feet Softwood sawtimber \$.20 per cord Softwood pulpwood
\$.40 per 1,000 board feet Hardwood sawtimber \$.12 per cord Hardwood pulpwood

The primary forest products tax was enacted by the 1977 General Assembly to fund programs provided for in the Forest Development Act of 1977. Tax was first collected for the quarter ended September 30, 1978.

Figure 18.1 Primary Forest Products Tax Net Collections

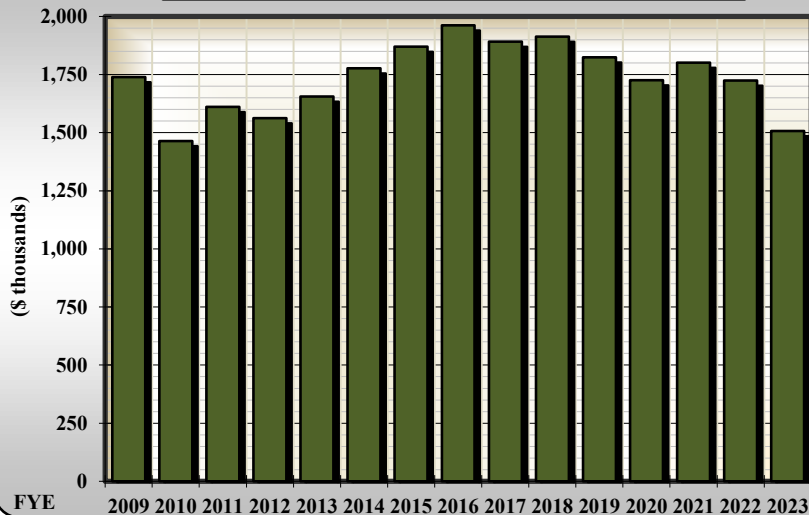
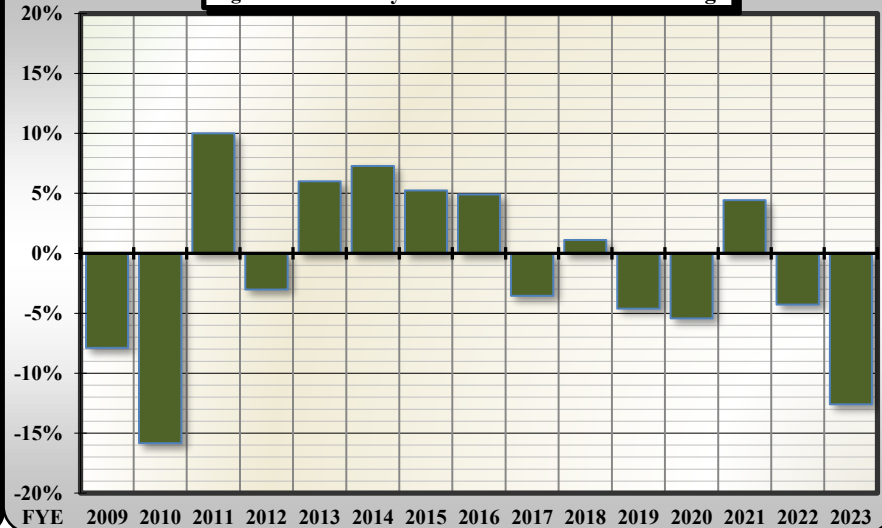


Figure 18.2 Primary Forest Products Tax % Change



**TABLE 19. PRIMARY FOREST PRODUCTS TAX: AMOUNT OF QUARTERLY TAX DUE ACCORDING TO TYPE OF FOREST PRODUCT
[§ 113A ARTICLE 12.]**

Quarter ended	Softwood sawtimber		Hardwood sawtimber		Softwood pulpwood		Hardwood pulpwood		Total computed tax due [\$]
	Number of board feet	Computed tax due [50¢ per 1,000 board ft.] [\$]	Number of board feet	Computed tax due [40¢ per 1,000 board ft.] [\$]	Number of cords	Computed tax due [20¢ per cord] [\$]	Number of cords	Computed tax due [12¢ per cord] [\$]	
Fiscal year 2018-19:									
September 30, 2018	336,806,411	168,403	90,695,901	36,278	609,926	121,985	307,804	36,936	363,603
December 31, 2018	374,797,055	187,399	98,219,100	39,288	1,312,459	262,492	348,610	41,833	531,011
March 31, 2019	395,454,510	197,727	110,545,118	44,218	1,001,265	200,253	394,755	47,371	489,569
June 30, 2019	429,944,250	214,972	102,077,274	40,831	1,011,500	202,300	347,586	41,710	499,813
Total.....	1,537,002,226	768,501	401,537,393	160,615	3,935,150	787,030	1,398,755	167,851	1,883,997
Fiscal year 2019-20:									
September 30, 2019	442,728,906	221,364	115,473,307	46,189	1,292,819	258,564	354,873	42,585	568,702
December 31, 2019	373,014,598	186,507	93,199,902	37,280	857,645	171,529	259,236	31,108	426,425
March 31, 2020	396,514,429	198,257	84,440,279	33,776	496,292	99,258	178,016	21,362	352,654
June 30, 2020	337,872,790	168,936	77,784,191	31,114	1,271,749	254,350	278,575	33,429	487,829
Total.....	1,550,130,723	775,065	370,897,679	148,359	3,918,505	783,701	1,070,700	128,484	1,835,609
Fiscal year 2020-21:									
September 30, 2020	391,900,132	195,950	85,248,330	34,099	921,982	184,396	275,853	33,102	447,548
December 31, 2020	416,977,011	208,489	87,590,610	35,036	913,732	182,746	272,403	32,688	458,960
March 31, 2021	395,419,074	197,710	64,976,240	25,990	883,753	176,751	215,970	25,916	426,367
June 30, 2021	378,875,811	189,438	91,769,230	36,708	871,889	174,378	245,745	29,489	430,013
Total.....	1,583,172,028	791,586	329,584,410	131,834	3,591,356	718,271	1,009,971	121,197	1,762,887
Fiscal year 2021-22:									
September 30, 2021	266,470,856	133,235	92,253,495	36,901	555,960	111,192	219,908	26,389	307,718
December 31, 2021	374,088,689	187,044	165,460,061	66,184	1,385,091	277,018	283,083	33,970	564,217
March 31, 2022	453,770,996	226,885	73,456,601	29,383	898,808	179,762	260,008	31,201	467,231
June 30, 2022	258,166,499	129,083	53,564,407	21,426	574,388	114,878	237,124	28,455	293,841
Total.....	1,352,497,040	676,249	384,734,564	153,894	3,414,247	682,849	1,000,123	120,015	1,633,007
Fiscal year 2022-23:									
September 30, 2022	332,699,312	166,350	99,569,065	39,828	556,008	111,202	297,521	35,703	353,081
December 31, 2022	579,656,079	289,828	93,518,403	37,407	645,098	129,020	310,196	37,224	493,479
March 31, 2023	302,015,898	151,008	60,638,989	24,256	484,725	96,945	275,851	33,102	305,311
June 30, 2023	301,645,976	150,823	78,645,828	31,458	751,213	150,243	289,028	34,683	367,207
Total.....	1,516,017,265	758,009	332,372,285	132,949	2,437,044	487,409	1,172,596	140,712	1,519,078

Detail may not add to totals due to rounding.

An assessment is levied on primary forest products harvested from lands within North Carolina to provide a source of funds to finance certain forestry operations. Collections are restricted funds paid directly to the Forest Development Fund.

Tax due does not equal collections for fiscal year because tax is paid during the month following the close of the calendar quarter.

Collections include penalties, interest, assessments, and other miscellaneous payments not included in the computed tax due amounts above.

Tax was first collected for the quarter ended September 30, 1978.

TABLE 21. CORPORATION INCOME TAX COLLECTIONS
[§ 105 ARTICLE 4, PART 1.]

[The Tax Simplification and Reduction Act of 2013 enacts significant changes to the corporation income tax structure effective with tax year 2014.]

Fiscal year	Gross collections [\$]	Refunds [\$]	Corporate Income Tax Net Collections Before & After Transfers							Year-over-year % change			
			Net collections before transfer deductions [\$]	Intergovernmental and inter-fund transfers					Net collections to General Fund [\$]	Income tax gross collections	Income tax refunds	Net collections before transfers	Amount to General Fund
				Public School Building Capital Fund [\$]	Critical School Facility Needs Fund [\$]	OSBM Civil Penalty Forfeiture Fund [\$]	Collection fees on overdue tax debts [\$]	Other/collection cost of fines/forfeitures [\$]					
2008-09.....	1,176,928,859	275,365,185	901,563,674	56,236,424	-	9,623,786	118,458	40,493	835,544,512	-20.61%	-0.17%	-25.28%	-24.84%
2009-10.....	1,515,939,069	221,132,886	1,294,806,183	93,834,701	-	2,598,199	493,596	14,264	1,197,865,423	28.80%	-19.69%	43.62%	43.36%
2010-11.....	1,297,296,589	204,994,094	1,092,302,495	75,181,766	-	3,309,395	224,332	40,568	1,013,546,433	-14.42%	-7.30%	-15.64%	-15.39%
2011-12.....	1,360,844,182	140,585,423	1,220,258,759	83,894,927	-	3,249,448	186,337	56,883	1,132,871,164	4.90%	-31.42%	11.71%	11.77%
2012-13.....	1,566,254,040	280,140,029	1,286,114,011	89,196,686	-	4,989,118	207,342	-9,639	1,191,730,504	15.09%	99.27%	5.40%	5.20%
2013-14.....	1,553,583,145	192,648,649	1,360,934,496	-	-	3,720,077	306,857	51,356	1,356,856,207	-0.81%	-31.23%	5.82%	13.86%
2014-15.....	1,568,418,204	237,987,277	1,330,430,926	-	-	2,524,225	208,182	10,392	1,327,688,128	0.95%	23.53%	-2.24%	-2.15%
2015-16.....	1,422,146,060	355,350,529	1,066,795,531	-	-	8,260,692	284,560	34,841	1,058,215,438	-9.33%	49.31%	-19.82%	-20.30%
2016-17.....	1,011,860,540	254,513,475	757,347,065	-	-	4,846,157	306,140	21,417	752,173,350	-28.85%	-28.38%	-29.01%	-28.92%
2017-18.....	920,343,033	177,527,048	742,815,984	-	-	3,451,430	304,089	15,253	739,045,213	-9.04%	-30.25%	-1.92%	-1.75%
2018-19.....	1,030,465,016	192,872,958	837,592,059	-	-	5,931,942	1,176,983	28,611	830,454,523	11.97%	8.64%	12.76%	12.37%
2019-20.....	887,567,902	224,781,277	662,786,625	-	-	4,562,564	443,145	21,545	675,759,371	-13.87%	16.54%	-20.87%	-20.80%
2020-21.....	1,695,084,716	178,628,186	1,516,456,530	-	-	4,173,207	806,708	20,549	1,511,456,066	90.98%	-20.53%	128.80%	129.79%
2021-22.....	1,810,329,287	178,135,888	1,632,193,400	-	-	5,258,841	1,074,258	21,650	1,625,838,651	6.80%	-0.28%	7.63%	7.57%
2022-23.....	1,862,542,768	221,614,692	1,640,928,075	-	-	5,096,090	858,337	19,439	1,634,954,210	2.88%	24.41%	0.54%	0.56%

Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-21) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of certain tax collections from fiscal year 2019-20 to fiscal year 2020-21. The Tax Simplification and Reduction Act of 2013 reduces the corporate income tax rate from 6.9% to 6% for tax year 2014 (5% for tax year 2015), either eliminates or allows to sunset all tax credits applicable to the corporate income tax, and extends the current sunset on the tax credit for expenses related to research and development from tax year 2014 to tax year 2016. SL 2015-241 reduces the rate from 5% to 4% for taxable years beginning on or after January 1, 2016 and amends provisions to the corporation income tax rate trigger (originally adopted during the 2013 Session) to reduce the rate to 3% for the taxable year after the next rate reduction trigger is met (the rate reduction trigger is met when the amount of net General Fund tax collections in a fiscal year exceeds \$20.975 billion): the corporate income tax rate is reduced to 3% for taxable years beginning on or after January 1, 2017. The Appropriations Act of 2017 [SL 2017-57] codifies the tax rate of 3% for 2017 based on the trigger being met, repeals the tax rate reduction trigger mechanism effective June 28, 2017, and reduces the tax rate from 3% to 2.5% effective for taxable years beginning on or after January 1, 2019.††

Corporate income tax: An income tax is levied on the portion of net income allocable to the State [see rate schedule]. Corporations "doing business" in at least one additional state calculate their North Carolina income through use of the apportionment formula. "Doing business" is defined as the operation of any business enterprise or activity in North Carolina for economic gain. Nonapportionable income is directly allocated in accordance with applicable revenue statutes. **Apportionment formula:** Effective for tax years beginning on or after January 1, 1989, all business income of corporations, except excluded corporations and public utilities, engaged in business activities in North Carolina and at least one other state were required to apportion to this State by use of a formula consisting of the sum of the property factor, the payroll factor, and twice the sales factor divided by four. Excluded corporation means any company engaged in business as a building or construction contractor, a securities dealer, loan company or company which receives more than 50% of its ordinary gross income from intangible property; apportionable income of excluded corporations and public utility companies is apportioned by multiplying apportionable income by the sales factor. The 2015 General Assembly enacted provisions to phase in a one hundred percent (100%) sales factor for purposes of apportioning a corporation's net income apportionable to the State: effective for taxable years beginning on or after January 1, 2016, the sales factor is triple-weighted; effective for taxable years beginning on or after January 1, 2017, the sales factor is quadruple-weighted; and effective for taxable years beginning on or after January 1, 2018, all apportionable income of a corporation must be apportioned to the State using only the sales factor with concurrent repeal of the various special apportionment formulas. The 2019 General Assembly enacted legislation to implement market-based sourcing for multistate income tax apportionment of the corporate income tax base and the franchise tax net worth base: under market-based sourcing, receipts are sourced to the location of the taxpayer's market (effective for taxable years beginning on or after January 1, 2020). Special market-based sourcing provisions apply for wholesale content distributors, banks, pipeline companies, and electric power companies. **2009-10 Corporate Resolution Initiative-A** corporate resolution initiative launched during 2009 focused on corporate taxpayers with significant outstanding tax bills. Corporate income tax collections include \$381,812,968 generated by the program. **2013-14** SL 2013-316, s. 2.4(a)(b) eliminates the statutory authorization that provided for the quarterly transfer of corporation income tax collections to support the Public School Building Capital Fund.

Rates: Effective year of tax:

- 7% Effective for tax years 1987-1990
- 7.75% Effective for tax years 1991-1996

†Plus an additional surtax (% of tax liability) as follows:

- Tax year 1991: 4%†
- Tax year 1992: 3%†
- Tax year 1993: 2%†
- Tax year 1994: 1%†
- Tax year 1997
- Tax year 1998
- Tax year 1999
- Tax years 2000-2013 [Tax years 2009, 2010: 3%†]
- Tax year 2014
- Tax year 2015
- Tax year 2016
- Tax years 2017-2018
- Tax years 2019-2024
- Tax year 2025
- Tax years 2026-2027
- Tax years 2028-2029
- After tax year 2029

William S. Lee Fees [§ 105-129.6 ARTICLE 3A]; Fees and reports [§ 105-129.85(a)ARTICLE 3J] or [§ 105-129.16A ARTICLE 3B] allocations††:

Effective for tax years beginning on or after January 1, 2002, a taxpayer is assessed a fee of \$500 for each type of credit the taxpayer claims or intends to claim with respect to an establishment. § 105-129.6 related fees supported the Article 3A tax credit administration and auditing processes incurred by DOR and DOC; § 105-129.85(a) Article 3J and § 105-129.16A Article 3B related tax credit fees are credited to the General Fund.

Fiscal year	DOR	DOC	Gen Fund††	Fiscal year	DOR	DOC	Gen Fund††
2007-08	\$131,625	\$43,875	-	2015-16	\$750	\$250	\$3,824,970
2008-09	\$100,500	\$33,500	\$96,500	2016-17	\$0	\$0	\$9,500
2009-10	\$36,750	\$12,250	\$155,000	2017-18	\$0	\$0	\$4,000
2010-11	\$9,375	\$3,125	\$148,000	2018-19	\$0	\$0	\$5,000
2011-12	\$8,625	\$2,875	\$146,500	2019-20	\$0	\$0	\$5,500
2012-13	\$1,500	\$500	\$236,500	2020-21	\$0	\$0	\$0
2013-14	\$38,263	\$12,754	\$259,000	2021-22	\$0	\$0	\$0
2014-15	\$375	\$125	\$184,500	2022-23	\$0	\$0	\$0

††[SL 2021-180 phases out the corporate income tax imposed on C Corporations doing business in North Carolina beginning with the 2025 tax year.]

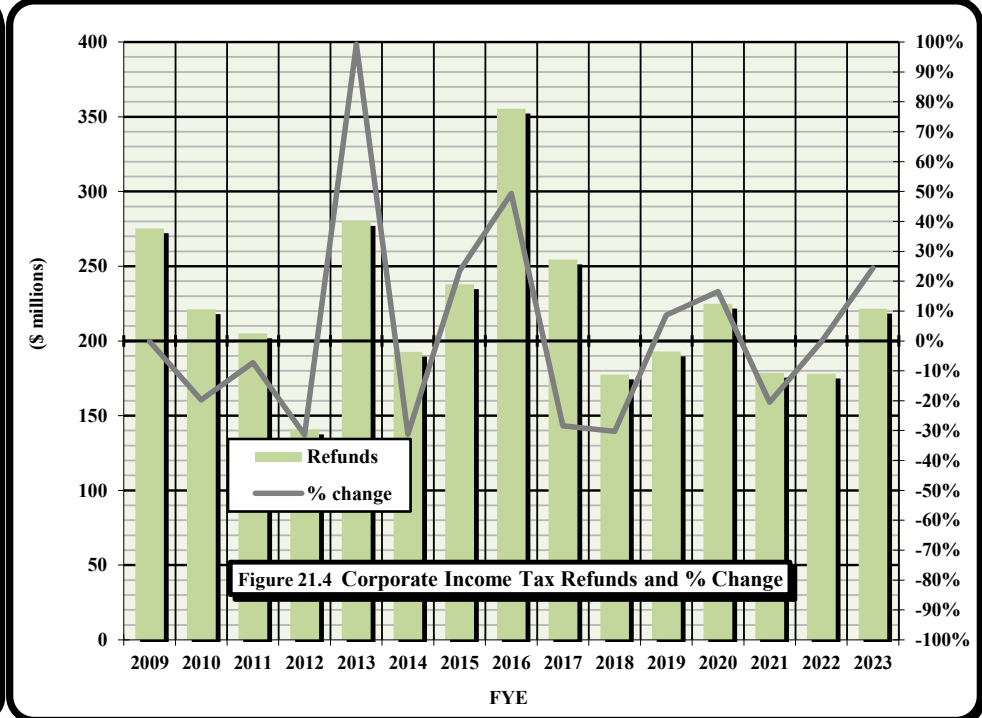
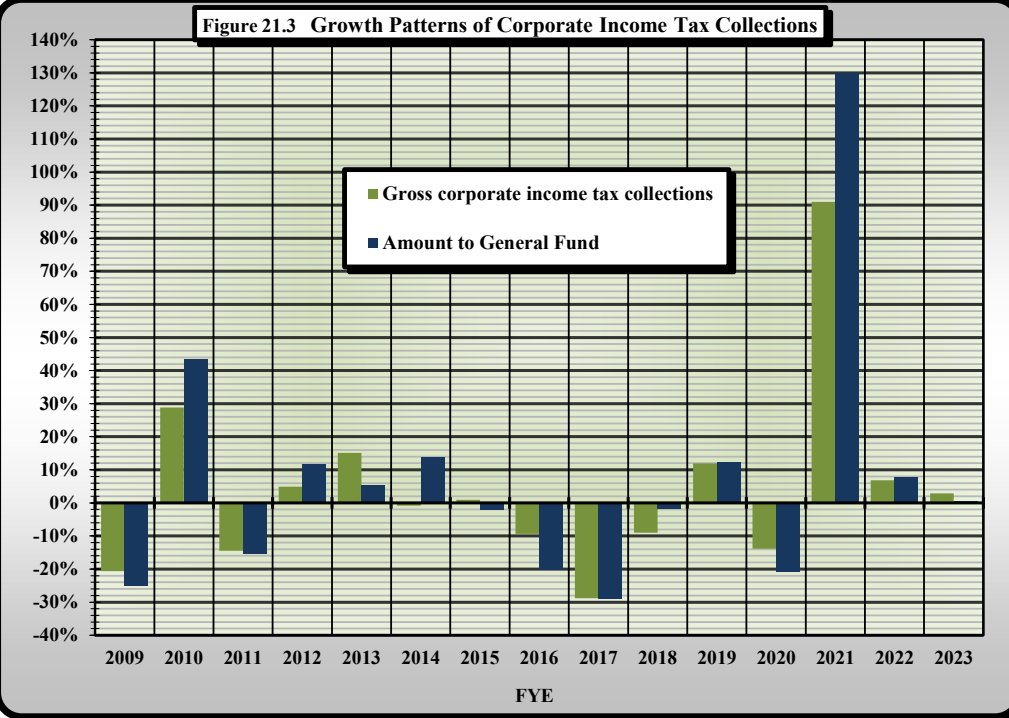
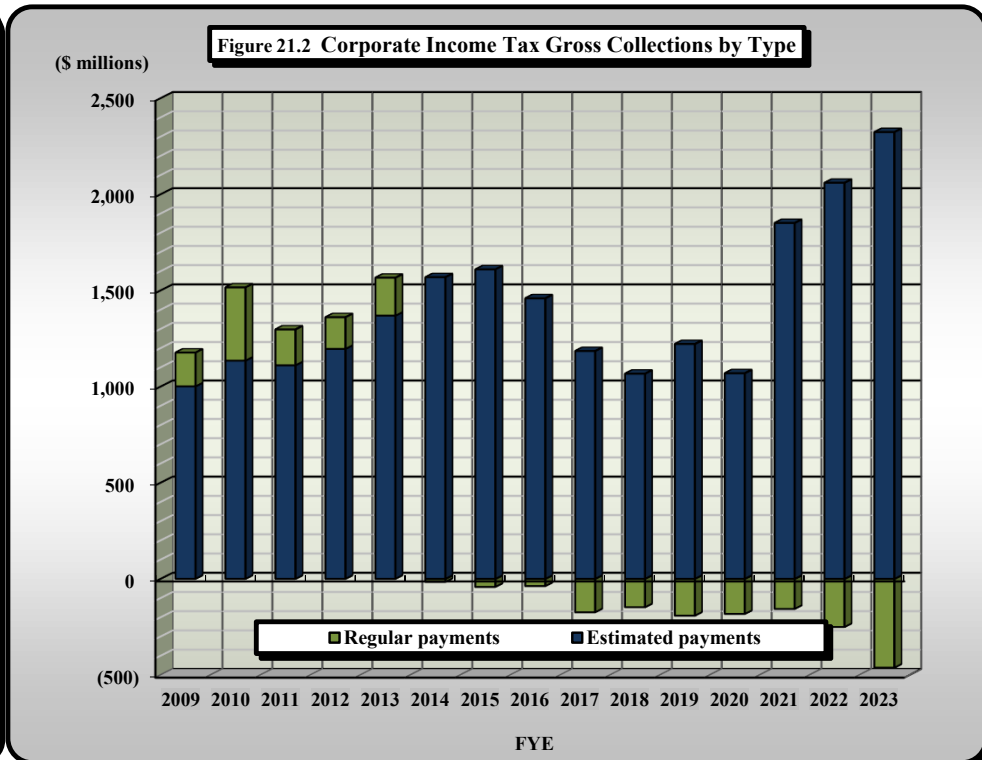
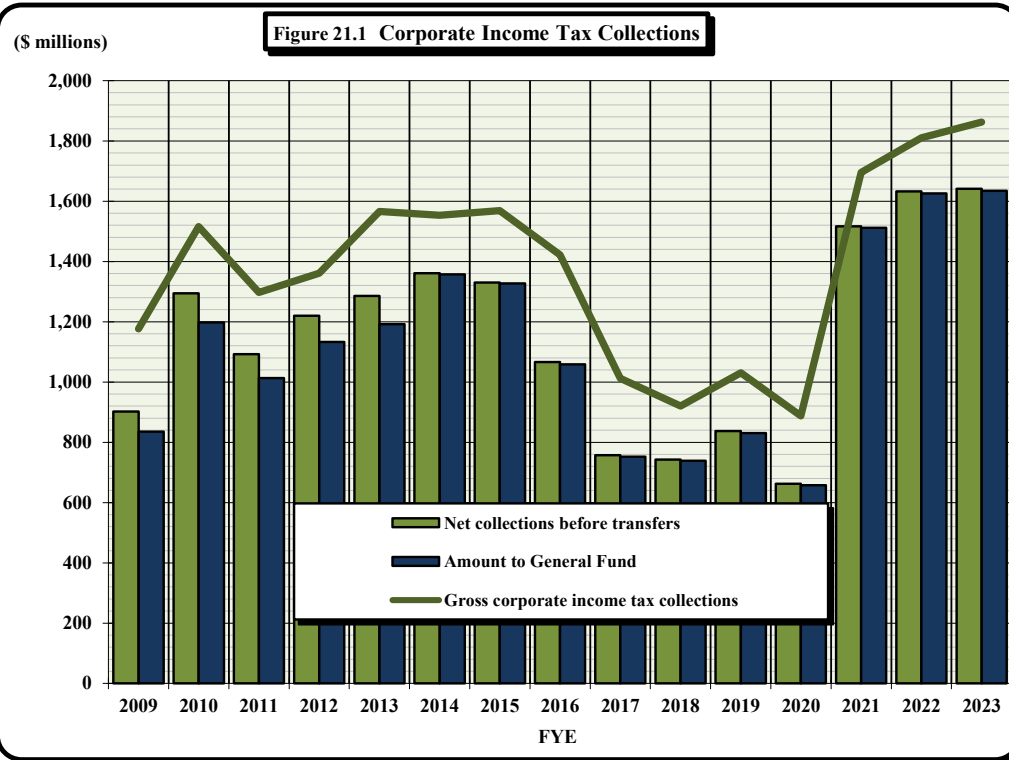


TABLE 23. INDIVIDUAL INCOME TAX COLLECTIONS
[§ 105 ARTICLE 4., PART 2.]

[The Tax Simplification and Reduction Act of 2013 enacts significant changes to the individual income tax structure effective with tax year 2014.]

Fiscal year	Total gross individual income tax collections [S]	Refunds [S]	Individual Income Tax Net Collections Before & After Reimbursements, Transfers										Collections to General Fund [S]	Year-over-year % change			
			Net collections before reimbursements/transfers [S]	Child Support Debts Collecting Cost [S]	NC Housing Finance Agency [S]	NC Political Parties Financing Fund [S]	NC Public Campaign Fund [S]	Special Education Related Services [S]	TIMS & PDP Components; Collection costs: [S]	Collection fees on overdue tax debts [S]	OSBM Civil Penalty & Forfeiture Fund [S]	Individual income tax:					
												Gross collections		Refunds	Net collections before transfers	Amount to General Fund	
2008-09....	11,687,026,714	2,111,640,441	9,575,386,273	147,085	31,104,801	1,524,117	1,259,255	-	235,245	15,033,735	55,909,151	9,470,172,885	-9.16%	13.81%	-13.03%	-13.14%	
2009-10....	11,259,839,831	2,108,917,484	9,150,922,346	135,115	28,508,611	1,391,725	1,124,882	-	491,979	17,233,725	54,430,901	9,047,605,408	-3.66%	-0.13%	-4.43%	-4.46%	
2010-11....	11,902,031,563	2,005,937,056	9,896,094,507	137,170	38,968,004	1,243,139	1,068,584	-	35,502,826	26,602,815	57,703,933	9,734,868,036	5.70%	-4.88%	8.14%	7.60%	
2011-12....	12,382,572,263	1,973,453,774	10,409,118,489	143,015	30,725,986	1,165,149	999,972	-	15,567,161	25,322,043	63,058,781	10,272,136,381	4.04%	-1.62%	5.18%	5.52%	
2012-13....	13,170,072,709	2,071,058,674	11,099,014,036	142,525	31,975,556	1,145,467	915,022	2,994,000	16,091,674	27,853,934	64,755,037	10,953,140,820	6.36%	4.95%	6.63%	6.63%	
2013-14....	12,417,964,513	1,999,852,222	10,418,112,291	143,820	37,100,867	491,336	67,005	3,018,000	8,995,164	27,592,165	68,345,106	10,272,358,828	-5.71%	-3.44%	-6.13%	-6.22%	
2014-15....	12,302,270,205	1,077,995,161	11,224,275,044	102,840	47,645,312	-	-	424,000	290,919	26,624,597	70,664,944	11,078,522,431	-0.93%	-46.10%	7.74%	7.85%	
2015-16....	13,138,056,769	1,062,469,619	12,075,587,149	100,145	51,841,838	-	-	28,000	360,482	32,630,411	85,468,531	11,905,157,743	6.79%	-1.44%	7.58%	7.46%	
2016-17....	13,344,741,218	1,226,838,717	12,117,902,501	101,095	29,751,890	-	-	22,000	381,945	31,570,861	86,423,758	11,969,650,952	1.57%	15.47%	0.35%	0.54%	
2017-18....	13,831,315,228	1,182,416,054	12,648,899,174	91,600	-	-	-	-	404,693	39,291,007	91,570,957	12,517,540,917	3.65%	-3.62%	4.38%	4.58%	
2018-19....	14,519,423,746	1,224,215,418	13,295,208,328	93,140	-	-	-	-	445,648	36,318,570	92,397,775	13,165,953,194	4.98%	3.54%	5.11%	5.18%	
2019-20....	13,683,270,671	1,147,120,074	12,536,150,597	92,465	-	-	-	-	428,236	30,244,709	90,685,847	12,414,699,339	-5.76%	-6.30%	-5.71%	-5.71%	
2020-21....	17,370,289,237	1,423,265,584	15,947,023,652	93,480	-	-	-	-	418,443	38,973,116	84,978,045	15,822,560,570	26.95%	24.07%	27.21%	27.45%	
2021-22....	19,118,758,145	1,398,250,663	17,720,507,482	67,340	-	-	-	-	427,730	48,502,816	103,896,725	17,567,612,870	10.07%	-1.76%	11.12%	11.03%	
2022-23....	18,791,605,212	1,895,197,954	16,896,407,258	78,325	-	-	-	-	354,000	40,714,038	92,803,947	16,762,456,948	-1.71%	35.54%	-4.65%	-4.58%	

Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-21) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of the receipt of certain tax collections from fiscal year 2019-20 to fiscal year 2020-21.

[Refer to charts at the end of this table for tax rate, standard deduction allowance, personal exemption allowance, child tax credit, and child deduction provisions as applicable.]

†Includes the following costs associated with TIMS & PDP Components implementation [SL 2009-451, Section 6.20(a)]: FY2010-11-\$35,253,627.47; FY2011-12-\$15,307,555.80; FY2012-13-\$15,831,613.96; FY13-14-\$8,720,685.84.

Effective with tax year 2012, the starting point in determining North Carolina taxable income is federal adjusted gross income (FAGI) subject to certain statutory modifications. State law references FAGI as defined in the Internal Revenue Code as the Code enacted as of a certain date. North Carolina conforms to federal law that has been enacted as of a specified date, except for specific adjustments to the Code that are required by State law. Effective for tax years 1989 through 2011, the starting point in determining North Carolina taxable income was taxable income for federal income tax purposes (FTI), subject to certain additions, deductions, and transitional adjustments.

The Tax Simplification and Reduction Act (TSRA) of 2013 [SL 2013-316] substitutes a flat rate structure [5.8% for tax year 2014; 5.75% for tax years thereafter] in replacement of the multitiered bracket system (utilized marginal tax rates of 6%, 7%, and 7.75% with breaking points delineated according to filing status and taxable income level). Estimated tax payments and withholding tax payments remitted by employers and pension and annuity payers during fiscal year 2014 for tax year 2014 are affected resultant of the rate reduction coupled with additional changes to the tax structure. The 2015 Appropriations Act [SL 2015-241] further reduces the statutory rate from 5.75% to 5.499% effective with taxable year 2017, and increases the withholding tax rate on or after January 1, 2016 to equal the statutory rate plus 0.1%.

The 2017 Appropriations Act [SL 2017-57] reduces the statutory rate from 5.499% to 5.25% effective for taxable years beginning on or after January 1, 2019.

The 2021 Appropriations Act [SL 2021-180] establishes the following tax rate schedule:

Taxable years beginning	Rate (rate schedule is superseded by SL 2023-134)
in 2022	4.99%
in 2023	4.75%
in 2024	4.60%
in 2025	4.50%
in 2026	4.25%
after 2026	3.99%

The 2023 Appropriations Act [SL 2023-134] establishes the following tax rate schedule (effective October 3, 2023):

Taxable years beginning	Rate
in 2022	4.99%
in 2023	4.75%
in 2024	4.50%
in 2025	4.25%
after 2025	3.99%

The 2023 Appropriations Act [SL 2023-134] also set individual income tax rate reduction triggers (see tax rate chart for details)

The TSRA of 2013 increases the North Carolina standard deduction allowance for all filing statuses, limits allowable itemized deductions, and eliminates the personal exemption allowance provision: SL 2013-316 increases the standard deduction allowances effective for taxable years beginning on or after January 1, 2014; SL 2015-241 increases the standard deduction allowances effective for taxable years beginning on or after January 1, 2016; SL 2016-94 amends SL 2015-241, supplanting alternative increased standard deduction allowances effective for taxable years beginning on or after January 1, 2016; and further increases standard deduction allowances effective for taxable years beginning on or after January 1, 2017. SL 2017-57 increases standard deduction allowances effective for taxable years beginning on or after January 1, 2019. SL 2019-246 increases standard deduction allowances effective for taxable years beginning on or after January 1, 2020. SL 2021-180 increases standard deduction allowances effective for taxable years beginning on or after January 1, 2022 (the allowance for each filing status is increased by approximately 18.6%). (Refer to tax rate and standard deduction allowance chart at end of table.)

North Carolina's itemized deductions are limited to charitable contributions as allowed under the Code, mortgage interest paid or accrued on a qualified residence, property taxes paid or accrued on real estate, and repayment of claim of right income and are no longer identical to the itemized deductions allowable for federal purposes. [The allowable combined itemized deduction for mortgage interest and property taxes on real estate cannot exceed \$20,000.] The 2015 Appropriations Act provides for a new itemized deduction allowing a taxpayer to claim the amount allowed as a deduction for medical and dental expenses under section 213 of the Code effective for taxable years beginning on or after January 1, 2015. The Consolidated Appropriations Act (CAA) of 2021 temporarily increased the charitable contribution deduction limit from 60% to 100% of an individual's AGI; North Carolina decoupled from this provision, continuing to follow the 60% contribution deduction limit. The CAA also extended through tax year 2021 the federal provision that allows an individual an itemized deduction for mortgage insurance premiums paid or accrued by treating those premiums as qualified mortgage interest; North Carolina has decoupled from this federal provision since 2014.

The TSRA of 2013 legislation eliminates the \$2,500 (\$2,000) personal exemption deductible amounts previously allowed for each eligible exemption claimable for federal tax purposes.

TABLE 23.- Continued

Provisions of the 2013 tax restructure eliminate the deduction from FAGI allowances for the following provisions (discontinued effective with taxable year 2014): severance wages, net business income not considered passive under IRC, contributions to the NC College Savings Program (NC-529 Plan), \$2,000 private retirement deduction, and \$4,000 government retirement deduction.

Allowable deduction adjustments to FAGI include but are not limited to: interest on government obligations; certain gain on obligations issued before July 1, 1995; taxable portion of Social Security benefits; refunds of state, local, and foreign income taxes; certain government retirement plan payments received by vested NC State government, NC local government, or federal government retirees; certain income by members of Indian tribes; deduction for eugenics compensation payments (limited); federal cancellation of indebtedness deferral related; federal credit in lieu of deduction related; hurricane relief payments; and effective for taxable years beginning on or after January 1, 2018, the amount deposited during the taxable year in a personal education savings account established under North Carolina's Personal Education Savings Account Program.

SL 2021-180 eliminates tax on military pension income effective for taxable years beginning on or after January 1, 2021. In general, the military retirement deduction is available to servicemembers who served at least 20 years or who were medically retired from the Armed Forces. Beneficiaries of military retirees may also be eligible for the deduction in some situations.

SL 2022-74 expands the military pension income exemption to include retirement pay for service in all uniformed services, to include retirees of the NOAA and the USPHS effective for taxable years beginning in 2022.

Code conformity as of a specific date applies to North Carolina income tax to the extent the State follows the federal tax provisions. North Carolina decoupled from certain provisions enacted within the Consolidated Appropriations Act of 2021 (CAA), the American Rescue Plan Act of 2021 (ARPA), and the Coronavirus Aid, Relief, and Economic Security Act (CARES Act) (collectively, federal legislation) which necessitated various statutory addition and subtraction modifications (decoupling adjustments) to FAGI for the affected tax years.

Provisions of the TSRA of 2013 tax restructure either eliminate or allow to sunset most of the tax credits applicable to the individual income tax.

The remaining income tax credits available to individuals are the credit for taxes paid to other state or countries, the credit for qualifying children, and the historic rehabilitation tax credits.

North Carolina residents are allowed to claim a tax credit for income tax paid to another state or country.

Provisions of the tax restructure increase the allowable child tax credit amount from \$100 to \$125 per qualifying child for certain taxpayers (refer to child tax credit chart at end of table).

SL 2017-57 converts the child tax credit provision to a deduction provision effective for taxable years beginning on or after January 1, 2018 (refer to child deduction chart at end of table).

Earned income tax credit (EITC) § 105-151.31 (not available for tax year 2014 thereafter):

Effective for tax years 2008 through 2013, a taxpayer who claims an EITC under section 32 of the IRC is eligible to claim a State EITC equal to a percentage of the amount qualified for on the federal return: 3.5% applies for tax year 2008, 5.0% applies for tax years 2009-2012, 4.5% applies for tax year 2013. If the credit exceeds the tax liability reduced by the sum of all credits allowable, the excess is refundable to the taxpayer. A part-year or nonresident taxpayer is allowed the tax credit in the proportion that federal taxable income (as adjusted) is taxable to North Carolina. The EITC is not allowable to an estate or trust.

In addition to the EITC, tax credits for the following provisions are no longer claimable on the North Carolina individual income tax return effective for tax years beginning on or after January 1, 2014: child care and certain employment-related expenses; charitable contributions by nonitemizers; disabled taxpayer, dependent, or spouse; education expenses for children with disabilities; adoption expenses; certain real property donations; premiums paid on long-term care insurance; property taxes paid on farm machinery; construction of dwelling units for the handicapped; gleaned crops; real conservation tillage equipment; construction of a poultry composting facility; and recycling oyster shells.

The tax credit for qualified business investments is repealed for investments made on or after January 1, 2014.

The historic rehabilitation tax credits under Article 3D expire for qualified expenditures and rehabilitation expenses incurred on or after January 1, 2015.

SL 2018-5 modifies the sunset date for the Article 3D rehabilitation tax credits to add an expiration date of January 1, 2023 for property not placed in service by that date.

SL 2015-241 enacts provisions for a new historic rehabilitation tax credit under Article 3L of Chapter 105 to replace the tax credits generally allowable under Article 3D of Chapter 105 which expired for qualified rehabilitation expenditures and rehabilitation expenses incurred on or after January 1, 2015. Article 3L tax credit provisions are similar to those for Article 3D except that Article 3L tax credits are capped and lower credit percentages apply. Article 3L tax credits became effective January 1, 2016, and apply to qualified rehabilitation expenditures and rehabilitation expenses incurred on or after that date.

SL 2015-241 sets the Article 3L tax credits to expire for qualified rehabilitation expenditures and rehabilitation expenses incurred on or after January 1, 2020.

SL 2018-5 modifies the sunset date for the Article 3L rehabilitation tax credit to add an expiration date of January 1, 2028 for property not placed in service by that date.

SL 2019-237 extends the sunset of the tax credit from January 1, 2020 to January 1, 2024 (qualified rehabilitation expenditures and rehabilitation expenses must be incurred prior to January 1, 2024 to qualify for the tax credit under Article 3L). The tax credit, as amended, expires for property not placed in service by January 1, 2032.

SL 2021-180 expands the credit to provide a bonus amount for historic structures used for educational purposes (effective for taxable years beginning in 2021) and extends the sunset provisions for the historic rehabilitation tax credit such that the Article is set to expire for qualified rehabilitation expenditures and rehabilitation expenses incurred on or after January 1, 2030, for projects not placed in service by January 1, 2032.

The mill rehabilitation tax credit under Article 3H expires for projects for which an application for an eligibility certification is submitted on or after January 1, 2015.

SL 2015-241 enacts an expiration date of January 1, 2023, applicable to eligibility certificates obtained under Article 3H from the State Historic Preservation Office.

SL 2019-237 reenacts the mill rehabilitation tax credit under Article 3H for an eligible railroad station that is allowed a credit under section 47 of the Code. Taxpayers with income-producing mill rehabilitation projects that meet the required conditions would be allowed a credit equal to forty percent (40%) of the rehabilitation expenses that qualify for the federal credit. The credit, as reenacted, cannot be claimed for a taxable year prior to January 1, 2021 and must be taken in two equal installments on the 2021 and 2022 tax returns.

SL 2021-180 reenacts the mill rehabilitation tax credit for Article 3H as it existed immediately before its repeal for rehabilitation projects for which an application for an eligibility certification was submitted on or after January 1, 2015, updates conditions for eligible railroad station, and extends the expiration for rehabilitation projects not placed in service prior to January 1, 2030, for rehabilitation expenditures made after January 1, 2019, and before January 1, 2030.

SL 2019-187 enacts legislation to facilitate and expedite the State's recovery after a natural disaster by exempting from taxation nonresident businesses and nonresident employees who temporarily come into North Carolina at the request of a critical infrastructure company solely to perform disaster-related work during a disaster response period. [effective for disaster declarations on or after 8/1/19]

SL 2021-180 enacts a new provision that allows certain pass-through entities to elect to pay North Carolina income tax at the entity level. The enacted legislation is intended to reduce the impact of the federal limitation on the individual state and local tax ("SALT") deduction by allowing pass-through entities (eligible S corporations and eligible partnerships) to elect to pay North Carolina tax at the entity level.

The pass-through entity is allowed to deduct the full amount of its SALT payments as a business expense on its federal income tax return.

An eligible pass-through entity can make the Taxed Pass-Through Entity Election for a taxable year that begins on or after January 1, 2022.

SL 2021-180 creates a separate State net operating loss calculation for individual income tax purposes. [effective for taxable years beginning in 2022]

SL 2021-180 updates the reference to the IRC used in defining and determining certain State tax provisions from May 1, 2020, to April 1, 2021.

SL 2023-12 updates the reference to the IRC used in defining and determining certain State tax provisions from April 1, 2021, to January 1, 2023.

N.C. Political Parties Financing Fund [§ 105-159.1] [Repealed by SL 2013-381, s. 38.1(e), effective July 1, 2013.]

N.C. Public Campaign Fund designation [§ 105-159.2] [Repealed by SL 2013-360, s. 21.1(c), effective for tax years beginning on or after January 1, 2013, and SL 2013-381, s. 38.1(f), effective July 1, 2013.]

TABLE 23.- Continued

The tax rate chart below reflects the tax rate provisions and schedule established within the 2023 Appropriations Act [SL 2023-134] enacted October 3, 2023. SL 2023-134 also set individual income tax rate reduction trigger provisions effective for taxable years beginning in 2027 (see tax rate trigger schedule below):

Tax Rate and Standard Deduction Allowance Chart	Filing status	Individual income tax statutory and withholding tax rates												
		Tax year												
		After 2025	2025	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
All:	NCIT	Over \$0	Over \$0	Over \$0	Over \$0	Over \$0	Over \$0	Over \$0	Over \$0	Over \$0	Over \$0	Over \$0	Over \$0	
	Tax Rate	3.99%	4.25%	4.5%	4.75%	4.99%	5.25%	5.25%	5.25%	5.499%	5.499%	5.75%	5.75%	
	W/H Rate	4.09%	4.35%	4.6%	4.85%	5.09%	5.35%	5.35%	5.35%	5.599%	5.599%	5.85%	5.8%	
		Standard deduction allowances												
S		\$12,750	\$12,750	\$12,750	\$12,750	\$12,750	\$10,750	\$10,750	\$10,000	\$8,750	\$8,750	\$8,250	\$7,500	\$7,500
MFJ/SS		\$25,500	\$25,500	\$25,500	\$25,500	\$25,500	\$21,500	\$21,500	\$20,000	\$17,500	\$17,500	\$16,500	\$15,000	\$15,000
MFS		\$12,750	\$12,750	\$12,750	\$12,750	\$12,750	\$10,750	\$10,750	\$10,000	\$8,750	\$8,750	\$8,250	\$7,500	\$7,500
HH		\$19,125	\$19,125	\$19,125	\$19,125	\$19,125	\$16,125	\$16,125	\$15,000	\$14,000	\$14,000	\$13,200	\$12,000	\$12,000

Rate reduction trigger provisions:

If total General Fund revenue in a fiscal year set out below exceeds the trigger amount indicated for that fiscal year, then the applicable tax rate for the indicated and subsequent tax years shall be equal to the greater of (i) the prior taxable year's rate decreased by one-half percentage point (0.50%) or (ii) two and forty-nine hundredths percent (2.49%). Total General Fund revenue is the amount stated in the final accounting of total General Fund Reverting Net Tax and Non-Tax Revenues for the fiscal year, as reported by the Office of State Controller in August following the end of the fiscal year.

Fiscal Year	Trigger Amount	Taxable Year Beginning
FY 2025-2026	\$33.042 billion	in 2027
FY 2026-2027	\$34.100 billion	in 2028
FY 2027-2028	\$34.760 billion	in 2029
FY 2028-2029	\$35.750 billion	in 2030
FY 2029-2030	\$36.510 billion	in 2031
FY 2030-2031	\$38.000 billion	in 2032
FY 2031-2032	\$38.500 billion	in 2033
FY 2032-2033	\$39.000 billion	in 2034

Provisions of the tax restructure increase the allowable child tax credit amount from \$100 to \$125 per qualifying child for certain taxpayers and is allowed for each dependent child for whom a federal child tax credit is allowed under section 24 of the Code provided the taxpayer's FAGI does not exceed the established threshold amount for each filing status.

The following chart compares the allowable per qualifying child credit amounts applicable for tax years 2014 forward and 2013 according to filing status and FAGI threshold levels [§ 105-153.10]:

Filing status	Federal AGI levels													
	up to \$20K		>\$20K up to \$32K		>\$32K up to \$40K		>\$40K up to \$50K		>\$50K up to \$60K		>\$60K up to \$80K		>\$80K up to \$100K	
	TY2014	TY2013	TY2014	TY2013	TY2014	TY2013	TY2014	TY2013	TY2014	TY2013	TY2014	TY2013	TY2014	TY2013
Child Tax Credit Chart	S	\$125	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
	MFJ/SS	\$125	\$100	\$125	\$100	\$125	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
	MFS	\$125	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100
	HH	\$125	\$100	\$125	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100	\$100

The credit for children is claimable only for a child who is under 17 years of age on the last day of the year. A part-year resident or nonresident is allowed the tax credit in the proportion that federal taxable income (as adjusted) is taxable to North Carolina. For tax years 1995-2002, the tax credit amount per qualifying child was \$60; for tax year 2003, the amount increased to \$75; for tax years 2004-2013, the amount was \$100.

SL 2017-57 converts the child tax credit provision to a deduction provision effective for taxable years beginning on or after January 1, 2018. [§ 105-153.5(a1)]

The following chart compares the allowable per qualifying child statutory deduction amount according to filing status and FAGI levels effective for taxable years beginning on or after January 1, 2018:

Filing status	Federal AGI levels										
	up to \$20K	>\$20K-\$30K	>\$30K-\$40K	>\$40K-\$45K	>\$45K-\$50K	>\$50K-\$60K	>\$60K-\$75K	>\$75K-\$80K	>\$80K-\$90K	>\$90K-\$100K	>\$100K-\$120K
	Child Deduction Chart	S	\$2,500	\$2,000	\$1,500	\$1,000	\$500	-	-	-	-
	MFJ/SS	\$2,500	\$2,500	\$2,500	\$2,000	\$2,000	\$1,500	\$1,500	\$1,000	\$1,000	\$500
	MFS	\$2,500	\$2,000	\$1,500	\$1,000	\$1,000	\$500	-	-	-	-
	HH	\$2,500	\$2,500	\$2,000	\$2,000	\$1,500	\$1,500	\$1,000	\$500	\$500	-

SL 2021-180 increases the child deduction allowance by \$500 per specified AGI range and establishes an additional income range for each filing status effective for taxable years beginning on or after January 1, 2022.

The following chart compares the allowable per qualifying child statutory deduction amount according to filing status and FAGI levels effective for taxable years beginning on or after January 1, 2022:

Filing status	Federal AGI levels													
	up to \$20K	>\$20K-\$30K	>\$30K-\$40K	>\$40K-\$45K	>\$45K-\$50K	>\$50K-\$60K	>\$60K-\$70K	>\$70K-\$75K	>\$75K-\$80K	>\$80K-\$90K	>\$90K-\$100K	>\$100K-\$105K	>\$105K-\$120K	>\$120K-\$140K
	Child Deduction Chart	S	\$3,000	\$2,500	\$2,000	\$1,500	\$1,500	\$1,000	500	-	-	-	-	-
	MFJ/SS	\$3,000	\$3,000	\$3,000	\$2,500	\$2,500	\$2,500	\$2,000	\$2,000	\$2,000	\$1,500	\$1,500	\$1,000	\$500
	MFS	\$3,000	\$2,500	\$2,000	\$1,500	\$1,500	\$1,000	500	-	-	-	-	-	-
	HH	\$3,000	\$3,000	\$2,500	\$2,500	\$2,000	\$2,000	\$1,500	\$1,500	\$1,000	\$1,000	500	500	-

TABLE 23.- Continued

Historical notes:

The following chart provides historical tax rate, standard deduction allowance amounts, and personal exemption thresholds by filing status applicable for tax years 1989-2013. For tax years 1989-1994, the personal exemption allowance amount was \$2,000 regardless of FAGI amount; for tax year 1995, the amount increased to \$2,250 subject to FAGI amount; and for tax years 1996 through 2013, the applicable amount is \$2,500 (or \$2,000) subject to the FAGI amount; for tax years 2012 and 2013, the personal exemption is \$2,500 for a taxpayer whose FAGI does not exceed the amount shown for the corresponding filing status in the chart below; a taxpayer whose FAGI exceeds the threshold amount is allowed a reduced personal exemption allowance of \$2,000.

*Tax years 2009, 2010: Additional temporary surtax (2% or 3% of tax liability) according to taxable income

†additional standard deduction for aged 65 or over or blind

Filing Status	Taxable income		Applicable tax rate by tax year					Personal Exemption Threshold by Filing Status	Standard Deduction Amounts		
			2008-2013	2007	2001-2006	1991-2000	1989-1990		2004-2013	2003	1989-2002
Married filing jointly/ Qualifying widow(er):	Over: \$0	Up To: \$21,250	6%	6%	6%	6%	6%	Married filing jointly/ Qualifying widow(er): <u>Federal AGI</u> \$100,000	\$6,000	\$5,500	\$5,000
*Surtax:	\$21,250	\$100,000	7%	7%	7%	7%	7%				
2% of tax liability	\$100,000	\$200,000	7.75%	7.75%	7.75%	7.75%	7%				
3% of tax liability	\$200,000	\$250,000	7.75%	8%	8.25%	7.75%	7%				
	\$250,000		7.75%	8%	8.25%	7.75%	7%				
Head of household:	\$0	\$17,000	6%	6%	6%	6%	6%	Head of household: <u>Federal AGI</u> \$80,000	\$4,400	\$4,400	\$4,400
*Surtax:	\$17,000	\$80,000	7%	7%	7%	7%	7%				
2% of tax liability	\$80,000	\$160,000	7.75%	7.75%	7.75%	7.75%	7%				
2% of tax liability	\$160,000	\$200,000	7.75%	8%	8.25%	7.75%	7%				
	\$200,000		7.75%	8%	8.25%	7.75%	7%				
Single:	\$0	\$12,750	6%	6%	6%	6%	6%	Single: <u>Federal AGI</u> \$60,000	\$3,000	\$3,000	\$3,000
*Surtax:	\$12,750	\$60,000	7%	7%	7%	7%	7%				
2% of tax liability	\$60,000	\$120,000	7.75%	7.75%	7.75%	7.75%	7%				
2% of tax liability	\$120,000	\$150,000	7.75%	8%	8.25%	7.75%	7%				
	\$150,000		7.75%	8%	8.25%	7.75%	7%				
Married filing separately:	\$0	\$10,625	6%	6%	6%	6%	6%	Married filing separately: <u>Federal AGI</u> \$50,000	\$3,000	\$2,750	\$2,500
*Surtax:	\$10,625	\$50,000	7%	7%	7%	7%	7%				
2% of tax liability	\$50,000	\$100,000	7.75%	7.75%	7.75%	7.75%	7%				
2% of tax liability	\$100,000	\$125,000	7.75%	8%	8.25%	7.75%	7%				
	\$125,000		7.75%	8%	8.25%	7.75%	7%				

Figure 23.1 Individual Income Tax Collections

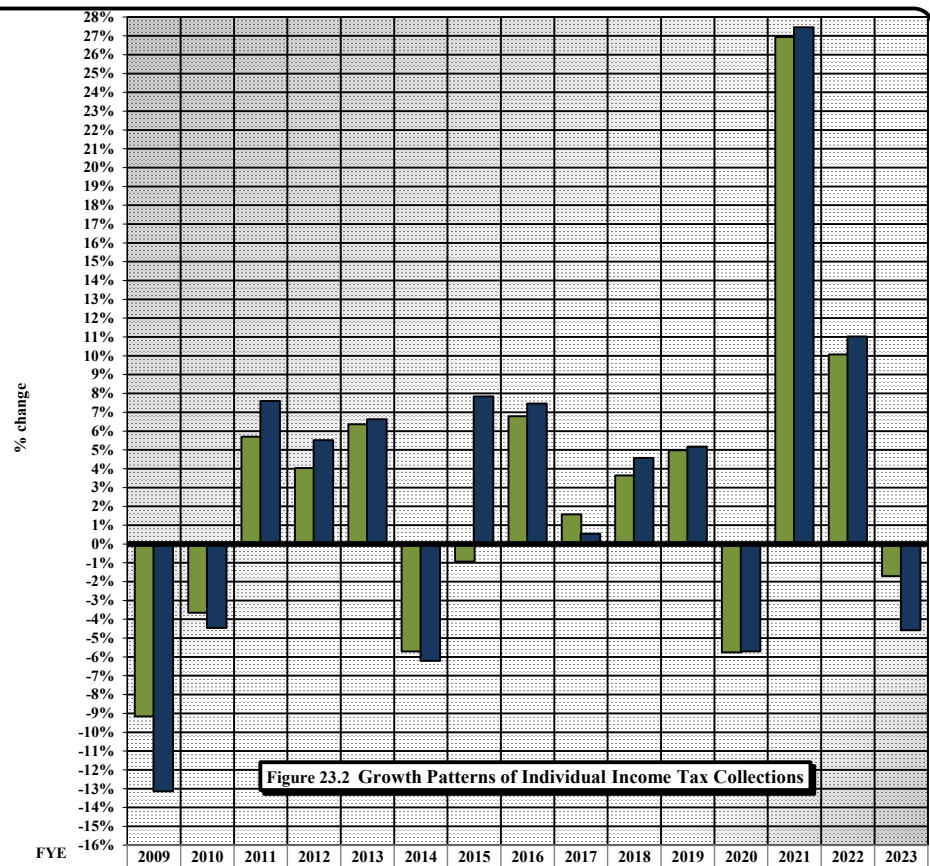
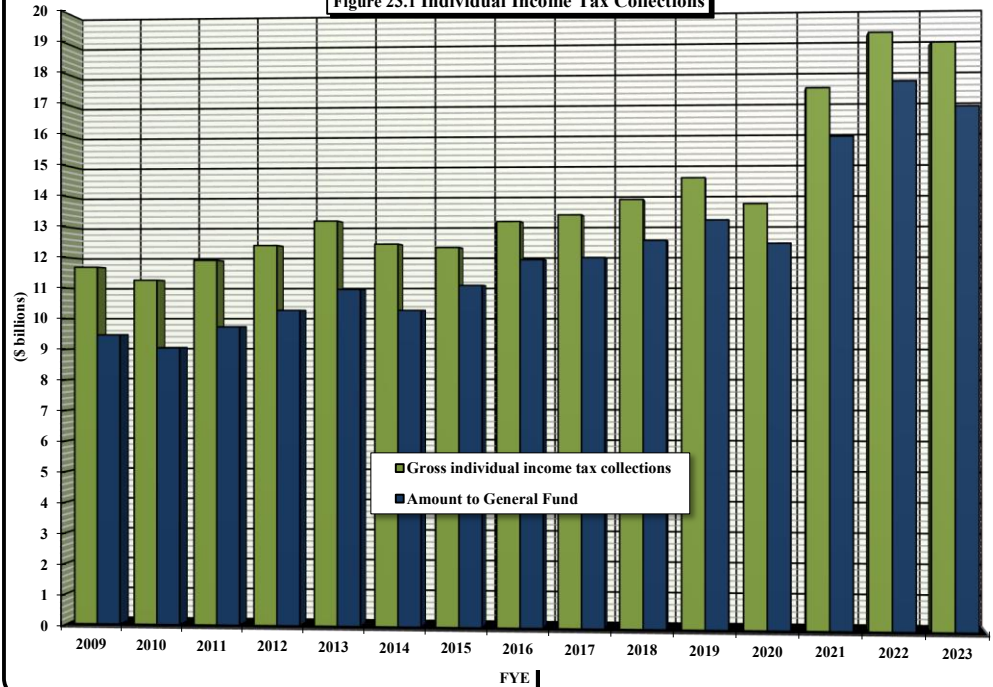


Figure 23.2 Growth Patterns of Individual Income Tax Collections

FYE	Gross tax collections	Amount to General Fund
2009	-9.16%	-13.14%
2010	-3.66%	-4.46%
2011	5.70%	7.60%
2012	4.04%	5.52%
2013	6.36%	6.63%
2014	-5.71%	-6.22%
2015	-0.93%	7.85%
2016	6.79%	7.46%
2017	1.57%	0.54%
2018	3.65%	4.58%
2019	4.98%	5.18%
2020	-5.76%	-5.71%
2021	26.95%	27.45%
2022	10.07%	11.03%
2023	-1.71%	-4.58%

Figure 23.3 Individual Income Tax Refunds and % Change

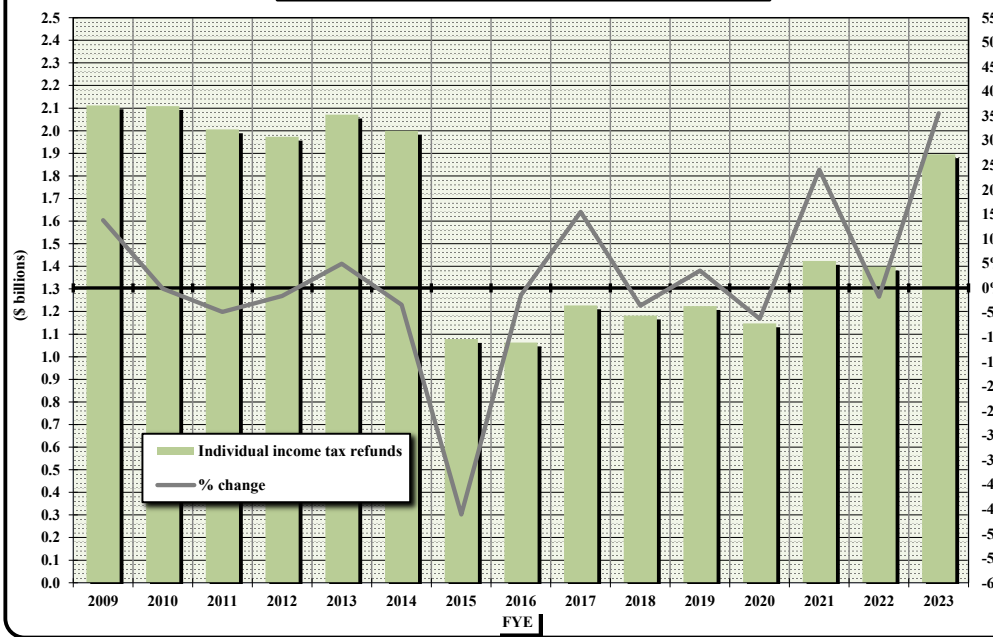


Figure 23.4 Individual Income Tax Refunds Issued Per \$1 Collection
(Refunds issued in a given fiscal year may be associated with tax liability for a preceding year.)

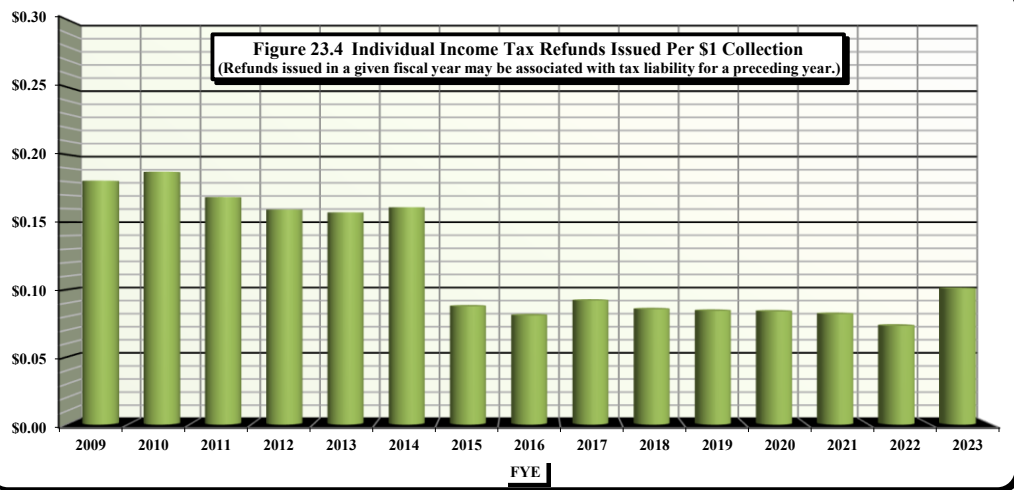


TABLE 24 . INDIVIDUAL INCOME TAX GROSS COLLECTIONS BY TYPE OF PAYMENT

Fiscal year	Withholding payments												Estimated			Final [returns & assessments]			Total individual income tax gross collections	
	Quarterly			Monthly			Accelerated			Total			Estimated	Final		Total	Annual			
	Quarterly payments [S]	% of total	Annual % change	Monthly payments [S]	% of total	Annual % change	Accelerated payments [S]	% of total	Annual % change	All payments [S]	% of total	Annual % change	Estimated payments [S]	% of total	Annual % change	Final payments [S]	% of total	Annual % change	Total payments [S]	Annual % change
2008-09.....	167,302,325	1.4%	-14.38%	824,378,046	7.1%	-9.01%	8,123,792,131	69.5%	-0.92%	9,115,472,501	78.0%	-1.99%	1,155,878,096	9.9%	-23.51%	1,415,676,117	12.1%	-31.08%	11,687,026,714	-9.16%
2009-10.....	144,951,084	1.3%	-13.36%	789,600,949	7.0%	-4.22%	8,202,692,984	72.8%	0.97%	9,137,245,017	81.1%	0.24%	918,391,730	8.2%	-20.55%	1,204,203,084	10.7%	-14.94%	11,259,839,831	-3.66%
2010-11.....	142,887,277	1.2%	-1.42%	807,908,606	6.8%	2.32%	8,512,575,363	71.5%	3.78%	9,463,371,247	79.5%	3.57%	979,522,030	8.2%	6.66%	1,459,138,287	12.3%	21.17%	11,902,031,563	5.70%
2011-12.....	145,428,856	1.2%	1.78%	841,792,323	6.8%	4.19%	8,862,664,860	71.6%	4.11%	9,849,886,039	79.5%	4.08%	1,018,804,363	8.2%	4.01%	1,513,881,862	12.2%	3.75%	12,382,572,263	4.04%
2012-13.....	150,954,005	1.1%	3.80%	887,120,841	6.7%	5.38%	9,278,892,526	70.5%	4.70%	10,316,967,372	78.3%	4.74%	1,109,258,207	8.4%	8.88%	1,743,847,130	13.2%	15.19%	13,170,072,709	6.36%
2013-14.....	146,148,580	1.2%	-3.18%	809,837,577	6.5%	-8.71%	8,811,629,448	71.0%	-5.04%	9,767,615,605	78.7%	-5.32%	1,068,097,836	8.6%	-3.71%	1,582,251,072	12.7%	-9.27%	12,417,964,513	-5.71%
2014-15.....	154,215,263	1.3%	5.52%	800,972,579	6.5%	-1.09%	8,272,084,745	67.2%	-6.12%	9,227,272,587	75.0%	-5.53%	1,176,558,808	9.6%	10.15%	1,898,438,810	15.4%	19.98%	12,302,270,205	-0.93%
2015-16.....	168,087,096	1.3%	9.00%	842,258,838	6.4%	5.15%	8,791,949,767	66.9%	6.28%	9,802,295,702	74.6%	6.23%	1,266,115,793	9.6%	7.61%	2,069,645,274	15.8%	9.02%	13,138,056,769	6.79%
2016-17.....	161,779,634	1.2%	-3.75%	873,637,097	6.5%	3.73%	9,072,459,662	68.0%	3.19%	10,107,876,393	75.7%	3.12%	1,310,169,818	9.8%	3.48%	1,926,695,007	14.4%	-6.91%	13,344,741,218	1.57%
2017-18.....	164,557,715	1.2%	1.72%	900,018,884	6.5%	3.02%	9,252,073,892	66.9%	1.98%	10,316,650,490	74.6%	2.07%	1,498,635,852	10.8%	14.38%	2,016,028,886	14.6%	4.64%	13,831,315,228	3.65%
2018-19.....	153,191,030	1.1%	-6.91%	929,282,042	6.4%	3.25%	9,650,229,059	66.5%	4.30%	10,732,702,131	73.9%	4.03%	1,285,654,752	8.9%	-14.21%	2,501,066,863	17.2%	24.06%	14,519,423,746	4.98%
2019-20.....	163,674,435	1.2%	6.84%	915,321,795	6.7%	-1.50%	9,754,474,918	71.3%	1.08%	10,833,471,148	79.2%	0.94%	1,147,981,384	8.4%	-10.71%	1,701,818,139	12.4%	-31.96%	13,683,270,671	-5.76%
2020-21.....	171,052,781	1.0%	4.51%	995,013,162	6.7%	8.71%	10,623,006,913	61.2%	8.90%	11,789,072,857	67.9%	8.82%	1,752,812,811	10.1%	52.69%	3,828,403,569	22.0%	124.96%	17,370,289,237	26.95%
2021-22.....	189,811,817	1.0%	10.97%	1,161,949,006	6.1%	16.78%	11,480,971,349	60.1%	8.08%	12,832,732,172	67.1%	8.85%	1,898,030,288	9.9%	8.28%	4,387,995,685	23.0%	14.62%	19,118,758,145	10.07%
2022-23.....	247,943,097	1.3%	30.63%	1,246,233,542	6.6%	7.25%	11,444,906,147	60.9%	-0.31%	12,939,082,786	68.9%	0.83%	1,420,532,332	7.6%	-25.16%	4,431,990,094	23.6%	1.00%	18,791,605,212	-1.71%

Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-21) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of the receipt of certain tax collections from fiscal year 2019-20 to fiscal year 2020-21.

[Refer to charts at the end of Table 23 for tax rate, standard deduction allowance, personal exemption allowance, child tax credit, and child deduction provisions as applicable.]

The Tax Simplification and Reduction Act of 2013 replaces the multitiered bracket system (utilizes marginal tax rates of 6%, 7%, and 7.75% with breaking points delineated according to filing status and taxable income level) with a flat rate structure (5.8% for tax year 2014; 5.75% for tax years thereafter). The simplified tax structure increases the standard deduction, eliminates the personal exemption, limits itemized deductions, and either eliminates or allows to sunset most tax credits applicable to the individual income tax except for the child tax credit (enhanced for certain taxpayers). Individual income tax collections reflect the rate reduction coupled with additional changes to the tax structure beginning with estimated tax payments and withholding tax payments remitted by employers and pension and annuity payers during fiscal year 2014 for tax year 2014.

The 2015 Appropriations Act [SL 2015-241] increases the withholding tax rate on or after January 1, 2016 to equal the statutory rate plus 0.1% to reduce the incidence of deficient withholding [withholding tax rate for taxable year 2016=5.85% (5.75%+0.1%)].

The legislation also increases the standard deduction allowances effective for taxable years beginning on or after January 1, 2016; however, SL 2016-94 amends SL 2015-241, supplanting alternative increased standard deduction allowances effective for taxable years beginning on or after January 1, 2016. Withholding tax tables for tax year 2016 reflect the standard deduction allowances enacted by the 2015 Appropriations Act. The 2015 Appropriations Act provides for an itemized deduction allowing a taxpayer to claim the amount allowed as a deduction for medical and dental expenses under section 213 of the Code effective for taxable years beginning on or after January 1, 2015.

The 2015 Appropriations Act [SL 2015-241] further decreases the personal income tax rate from 5.75% to 5.499% effective for taxable years beginning on or after January 1, 2017 [withholding tax rate for taxable years 2017 and 2018=5.599% (5.499%+0.1%)]. The 2016 Appropriations Act further increases standard exemption allowances effective with taxable year 2017.

The 2017 Appropriations Act [SL 2017-57] further reduces the personal income tax rate to 5.25% effective with taxable year 2019 [withholding tax rate for taxable year 2019 thereafter=5.35% (5.25%+0.1%)]; converts the child tax credit provision to a deduction provision (effective for taxable years beginning on or after January 1, 2018) [§ 105-153.5(a1)]; and further increases standard deduction allowances effective for taxable years beginning on or after January 1, 2019.

SL 2018-5 redefines the definition of wages for withholding purposes to have the same meaning as defined under IRC section 3401 (effective June 12, 2018). As redefined, wages includes reimbursements made by an employer to an employee for ordinary and necessary expenses incurred by the employee on behalf of the employer and in the furtherance of the business of the employer and are subject to North Carolina income tax withholding.

SL 2019-246 further increases standard deduction allowances effective for tax years beginning on or after January 1, 2020.

SL 2021-180 reduces the personal income tax rate from 5.25% to 4.99% effective for taxable years beginning in 2022 [withholding tax rate for taxable year 2022=5.09% (4.99%+0.1%)].

SL 2021-180 reduces the personal income tax rate from 4.99% to 4.75% effective for taxable years beginning in 2023 [withholding tax rate for taxable year 2023=4.85% (4.75%+0.1%)].

SL 2021-180 increases standard deduction allowances effective for taxable years beginning in 2022 (the allowance for each filing status is increased by approximately 18.6%).

SL 2021-180 increases the allowable child deduction by \$500 and expands eligibility for taxable years beginning in 2022.

The 1990 General Assembly rewrote § 105-163.1 to adopt the federal definition of wages subject to income tax withholding and to require employers who average withholding income tax of \$2,000 or more per month (accelerated filers) to file withholding tax reports and remit the tax in accordance with federal guidelines (effective January 1, 1991).

In an attempt to simplify the payment of withheld taxes, the Internal Revenue Service adopted new regulations effective January 1, 1993, requiring accelerated filers to pay the withheld taxes semi-weekly instead of every three banking days. (Employers were not required to adopt the new system until January 1, 1994.)

Effective January 1, 2002, § 105-163.6(b) was amended to require an employer who withholds an average of less than \$250 of State income taxes from wages each month to file a return and pay the taxes on a quarterly basis; § 105-163.6(c) was amended to require an employer who withholds an average of at least \$250 but less than \$2,000 from wages each month to file a return and pay the taxes on a monthly basis.

The amendments lowered the threshold for distinguishing quarterly filers from monthly filers from \$500 to \$250; approximately 70,000 taxpayers were converted from quarterly filers to monthly filers.

Alternative withholding tax provisions may apply depending on occupation and residency status. For example, employers who pay non-wage compensation of more than \$1,500 during the calendar year to a nonresident contractor for personal services performed in North Carolina must withhold NC income tax at the rate of 4% from the non-wage compensation.

SL2019-169 expands the 4% mandatory withholding requirement to new categories of non-wage compensation. The changes are effective for non-wage compensation paid on or after January 1, 2020.

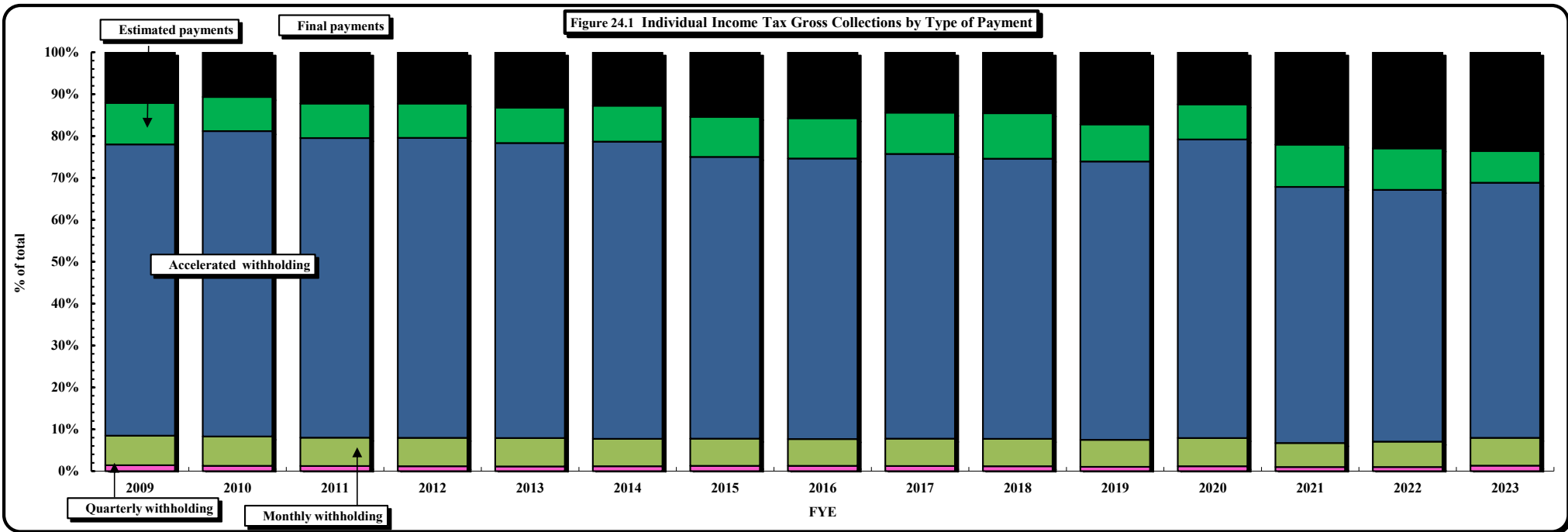
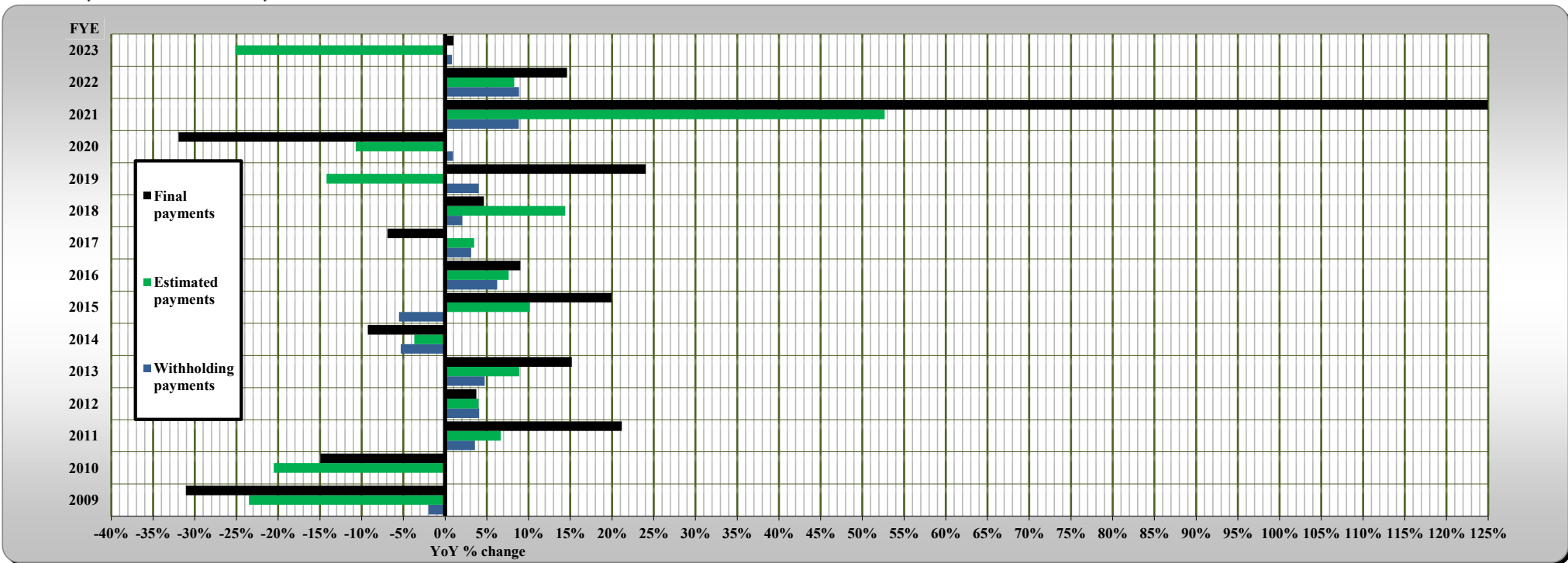


Figure 24.2 Individual Income Tax Gross Collections Components: Growth Trends

Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and due dates return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-21) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of the receipt of certain tax collections from the fiscal year ended in 2020 to the fiscal year ended in 2021.



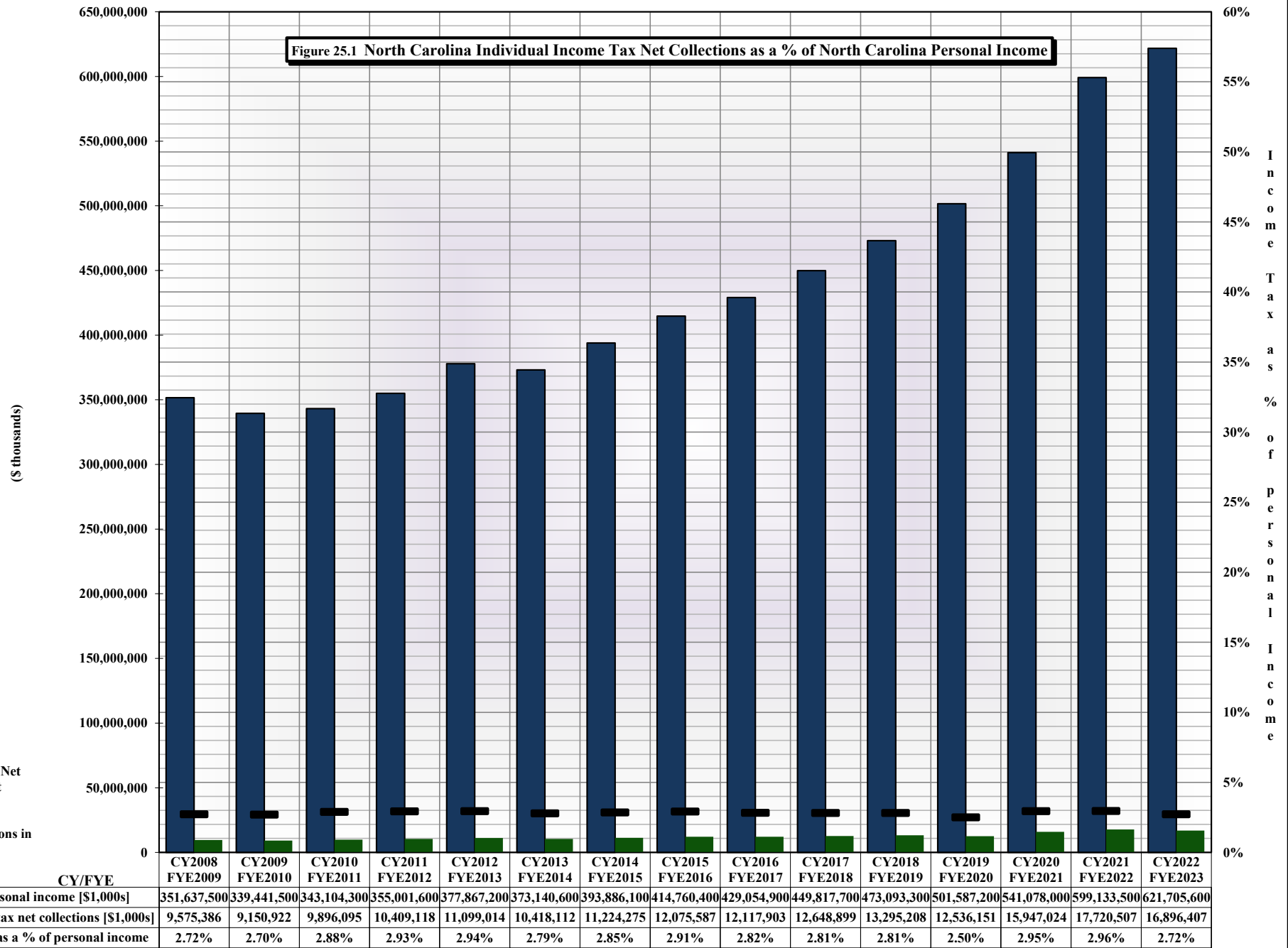


Table 25.
North Carolina
Individual Income Tax Net
Collections as a Percent
of North Carolina
Personal Income
[Income and tax collections in
\$1,000s]

[Personal income is for the calendar year preceding the fiscal year ended. Tax collections are measured on a July-June basis.]

Source of personal income data: U.S. Bureau of Economic Analysis, *SAINCI State Annual Personal Income Summary: Personal Income, Population, Per Capita Personal Income*, March 29, 2024 update.

TABLE 26 . STATISTICS OF SPECIAL PROGRAMS

For tax year	Special Funds										Privilege Tax		
	Income Tax										N.C. Public Campaign Financing Fund [Attorneys] [§ 105-41(a)(1)]		
	Wildlife Conservation Account [Article 4] [§ 105-269.5]		N.C. Education Endowment Fund [Article 4] [§ 105-269.7]		N.C. Breast and Cervical Cancer Control Program [Article 4, Part 2] [§ 105-269.8]		N.C. Political Parties Financing Fund [Article 4, Part 2] [§ 105-159.1]		N.C. Public Campaign Fund [Article 4, Part 2] [§ 105-159.2]		For tax year beginning	Attorneys contributing [computed] [#]	Contribution amount [\$]
Taxpayers contributing [#]	Refund contribution amount [\$]	Taxpayers contributing [#]	Refund contribution amount [\$]	Taxpayers contributing [#]	Refund contribution amount [\$]	Taxpayers designating [computed] [#]	Income tax designated amount [\$]	Taxpayers designating [computed] [#]	Income tax designated amount [\$]				
2007....	22,490	386,017	-	-	-	-	498,455	1,495,365	419,206	1,257,618	July 1, 2008	-	-
2008....	22,595	485,117	-	-	-	-	514,388	1,543,166	399,671	1,199,014	July 1, 2009	-	-
2009....	22,500	273,252	-	-	-	-	422,619	1,267,857	368,957	1,106,872	July 1, 2010	-	-
2010....	21,444	317,059	-	-	-	-	399,316	1,197,948	350,389	1,051,167	July 1, 2011	-	-
2011....	21,141	333,922	-	-	-	-	384,858	1,154,574	328,743	986,230	July 1, 2012	-	-
2012....	21,112	353,812	-	-	-	-	349,412	1,048,236	276,370	829,110	July 1, 2013	-	-
2013....	20,657	340,167	-	-	-	-	-	-	-	-	July 1, 2014	-	-
2014....	7,795	134,946	2,665	58,722	-	-	-	-	-	-	July 1, 2015	-	-
2015....	7,476	136,271	3,358	65,649	-	-	-	-	-	-	July 1, 2016	-	-
2016....	10,026	225,310	4,848	97,476	-	-	-	-	-	-	July 1, 2017	-	-
2017...	21,877	373,958	14,588	275,279	17,795	301,979	-	-	-	-	July 1, 2018	-	-
2018...	24,300	402,921	15,969	269,467	20,026	323,802	-	-	-	-	July 1, 2019	-	-
2019...	27,991	456,566	18,225	314,621	22,268	362,096	-	-	-	-	July 1, 2020	-	-
2020...	27,795	564,347	16,966	335,301	22,788	426,924	-	-	-	-	July 1, 2021	-	-
2021...	24,749	498,109	14,684	20,237	300,425	406,055	-	-	-	-	July 1, 2022	-	-
2022...	23,920	490,563	14,870	314,150	19,485	382,747	-	-	-	-	July 1, 2023	-	-

Contribution and designated amounts are those reported on tax forms for the designated tax year.

Wildlife Conservation Account [§ 105-269.5]

A taxpayer entitled to a refund of income taxes under Article 4 of Chapter 105 may elect to contribute all or part of the *refund* to the N.C. Nongame and Endangered Wildlife Fund to be used for management, protection, and preservation of wildlife. Information is compiled during the processing of tax forms for the designated tax year.

N.C. Education Endowment Fund [§ 105-269.7]

A taxpayer entitled to a refund of income taxes under Article 4 of Chapter 105 may elect to contribute all or part of the *refund* to the N.C. Education Endowment Fund established pursuant to § 115C-472.16 to be used for teacher compensation that is related directly to improving student academic outcomes in the public schools of the State. Information is compiled during the processing of tax forms for the designated tax year.

N.C. Breast and Cervical Cancer Control Program [§ 105-269.8]

An individual entitled to a refund of income taxes under Part 2 of Article 4 of Chapter 105 may elect to contribute all or part of the *refund* to be used for early detection of breast and cervical cancer at the Cancer Prevention and Control Branch of the Division of Public Health of the Department of Health and Human Services. SL 2020-58 extends the sunset of this provision to taxable years beginning on or after January 1, 2026 (previously January 1, 2021). Information is compiled during the processing of tax forms for the designated tax year.

Historical notes:

N.C. Political Parties Financing Fund [§ 105-159.1] [Repealed by SL 2013-381, s. 38.1(e), effective July 1, 2013.]

Every taxpayer whose individual income tax liability was at least \$1 for a given tax year, could on the D-400 return, elect to designate \$1 to be contributed to the political party of choice.

Election to make this contribution did not affect the taxpayer's income tax liability or refund.

[Effective for taxable years beginning on or after **January 1, 2006**, the designated amount increased. Every taxpayer whose individual income tax liability is at least \$3 for a given year, may on the D-400 return, elect to designate \$3 to be contributed to the political party of choice; for a married couple filing a joint return with an income tax liability of at least \$6, each spouse may designate \$3 to the fund.]

N.C. Public Campaign Fund designation [§ 105-159.2] [Repealed by SL 2013-360, s. 21.1(c), effective for tax years beginning on or after January 1, 2013, and SL 2013-381, s. 38.1(f), effective July 1, 2013.]

Effective for taxable years beginning on or after **January 1, 2003**, an individual is provided the opportunity to agree to allocate \$3 of the individual's tax liability to the N.C. Public Campaign Fund if the individual has an income tax liability of at least \$3. On a joint return, each individual may agree to allocate \$3 to the Fund; agreeing to allocate \$3 to the Fund neither increases the tax nor reduces a refund. The N.C. Public Campaign Fund was established to provide an alternative source of campaign money to qualified candidates who accept strict campaign spending and fund-raising limits; the Fund also helped to finance a Voter Guide with educational materials about voter registration, the role of the appellate courts, and the candidates seeking election as appellate judges in the State.

N.C. Public Campaign Financing Fund contribution [§ 105-41(a)(1)] [Repealed effective for applications for new licenses/license renewals issued on or after January 1, 2006.]

Attorneys were provided the opportunity to make a voluntary contribution of \$50 to the N.C. Public Campaign Financing Fund at the same time the annual \$50 privilege license tax was paid.

The contribution was not considered part of the tax owed. [Effective on or after **July 1, 2003** (applications for new licenses); effective on or after **July 1, 2004** (issuance of license renewals)]

Privilege license taxes are imposed annually and are due July 1 of each year; the tax applicable to attorneys is imposed for the privilege of engaging in the practice of law during the fiscal year that begins on the July 1 due date of the tax.

TABLE 28. STATE SALES AND USE TAX COLLECTIONS
[§ 105 ARTICLE 5.]

Fiscal year	State sales and use tax gross collections [S]	Refunds [S]	Net collections before reimbursements/transfers [S]	Sales and Use Tax Reimbursements, Distributions, and Transfers										Net collections to General Fund [S]	Year-over-year % change		
				Local government distributions/state aid reimbursements† [S]	Refund of local sales & use tax paid by state agencies [S]	Reserves/transfers for administrative fees/costs††† [S]	Inter-governmental/interfund transfers†† [S]	Collection fees on overdue tax debts [S]	Transfer: State Public School Fund [S]	OSBM Civil Penalty & Forfeiture Fund [S]	Collection cost of fines/forfeitures [S]	Gross collections [S]	Refunds [S]		Net collections before transfers [S]	Amount to General Fund [S]	
																	Year-over-year % change
2008-09	5,349,888,689	383,328,220	4,966,560,469	175,662,743	1,906,144	16,790,014	32,320,547	1,219,993	47,427,474	13,230,510	55,669	4,677,947,376	-4.0%	19.24%	-5.84%	-6.10%	
2009-10	6,154,712,045	294,149,304	5,860,562,741	188,004,041	2,133,686	15,040,761	28,806,786	1,435,910	45,335,756	14,694,637	67,908	5,565,043,256	15.04%	-23.26%	18.00%	18.96%	
2010-11	6,671,764,563	481,416,090	6,190,348,473	199,721,561	2,432,477	15,519,895	30,127,529	2,907,504	51,754,988	16,145,723	69,726	5,871,669,069	8.40%	63.66%	5.63%	5.51%	
2011-12	5,970,913,291	390,941,571	5,579,971,719	220,783,735	3,555,009	17,887,554	8,716,664	2,759,015	56,347,642	12,286,115	50,580	5,257,585,406	-10.50%	-18.79%	-9.86%	-10.46%	
2012-13	5,975,428,202	377,440,288	5,597,987,914	211,913,489	2,825,727	15,576,153	8,328,208	2,602,659	50,606,990	11,939,751	47,951	5,294,146,987	0.08%	-3.45%	0.32%	0.70%	
2013-14	6,268,025,300	419,787,709	5,848,237,591	188,849,583	3,716,166	15,031,097	7,853,371	2,501,991	50,934,543	12,781,332	51,331	5,566,518,176	4.90%	11.22%	4.47%	5.14%	
2014-15	7,215,032,460	352,837,908	6,862,194,552	513,251,901	2,451,642	16,876,839	7,778,989	2,936,755	52,988,675	13,829,641	56,935	6,252,023,175	15.11%	-15.95%	17.34%	12.31%	
2015-16	7,598,241,231	405,107,123	7,193,134,108	526,427,902	2,188,868	17,672,691	7,928,449	3,101,048	61,163,099	15,105,192	63,709	6,559,483,149	5.31%	14.81%	4.82%	4.92%	
2016-17	8,111,072,527	449,271,266	7,661,801,260	541,990,341	1,875,630	19,836,110	10,279,371	3,027,653	64,360,412	16,395,582	72,459	7,003,963,702	6.75%	10.90%	6.52%	6.78%	
2017-18	8,433,959,783	418,815,947	8,015,143,836	538,934,802	1,734,032	20,921,238	25,347,631	3,559,548	68,698,497	18,419,385	81,403	7,337,447,300	3.98%	-6.78%	4.61%	4.76%	
2018-19	8,968,071,779	500,268,180	8,467,803,599	571,511,856	2,545,157	21,816,505	26,068,866	3,858,512	71,218,740	19,394,604	93,543	7,751,295,817	6.33%	19.45%	5.65%	5.64%	
2019-20	9,047,409,934	493,520,441	8,553,889,493	583,290,780	1,928,570	22,507,689	26,832,859	3,782,953	76,021,744	18,840,874	88,970	7,820,595,054	0.88%	-1.35%	1.02%	0.89%	
2020-21	10,321,305,603	527,281,343	9,794,024,260	618,307,571	2,201,062	25,113,695	24,744,219	5,152,734	76,768,010	18,057,516	88,918	9,023,590,536	14.08%	6.84%	14.50%	15.38%	
2021-22	11,643,520,816	497,635,915	11,145,884,901	693,084,695	1,226,081	25,988,225	112,452,997	6,465,780	87,059,635	18,826,964	77,508	10,200,703,015	12.81%	-5.62%	13.80%	13.04%	
2022-23	12,524,168,883	499,092,056	12,025,076,827	743,223,128	1,567,457	26,539,686	331,525,611	6,342,241	97,990,943	16,644,540	63,491	10,801,179,731	7.56%	0.29%	7.89%	5.89%	

See chart below for additional detail of sales and use tax reimbursements, distributions, and transfers.

Fiscal year	Distributions/State Aid Reimbursements†					Inter-fund Transfers††					Reserves/Transfers: Administrative Costs†††			
	Electricity §105-164.44K distribution [local shares] [S]	PNG §105-164.44L distribution [local shares] [S]	Telecommunications tax distribution [local shares] [S]	Video programming distribution [local shares] [S]	Hold harmless payments [local shares]* [S]	Wildlife Resources Fund §105-164.44B [S]	Dry-Cleaning Solvent Cleanup Fund §105-164.44E [S]	DOT [Aviation] §105-164.44M(a) [S]	DOT [Transp] §105-164.44M(b) [S]	Local sales and use tax administration				
										General Fund:		Public		
										Non-tax revenue		Transit tax		
									§105-472 various [S]	§105-501 [S]	§105-507.3 [S]	§105-501 various [S]		
2008-09	-	-	77,674,637	81,223,016	16,765,090	24,747,445	7,573,102	-	-	9,927,712	5,684,948	477,353	700,000	
2009-10	-	-	75,187,075	81,944,006	30,872,960	21,500,000	7,293,364	-	-	8,597,957	6,004,931	437,872	-	
2010-11	-	-	68,915,546	79,509,243	51,296,772	21,500,000	7,820,356	-	-	7,602,667	6,089,061	405,131	1,423,036	
2011-12	-	-	72,546,308	81,889,098	66,348,329	10,000,000	8,548,649	-	-	7,610,508	4,566,366	415,117	5,295,564	
2012-13	-	-	67,556,208	79,639,864	64,717,418	10,000,000	8,109,420	-	-	7,662,616	1,280,045	433,066	6,200,426	
2013-14	-	-	62,529,035	78,425,493	47,895,056	§ 105-187.9	7,786,010	-	-	8,091,386	1,296,909	391,662	5,251,140	
2014-15	278,798,651	18,314,174	60,822,617	79,306,639	76,009,821	18%, 5% proceeds [S]	7,778,989	-	-	9,419,650	1,099,222	363,844	5,994,123	
2015-16	328,600,103	12,221,260	51,022,166	76,810,767	57,773,606		7,928,449	-	-	10,207,233	1,166,976	420,177	5,878,306	
2016-17	313,542,649	14,785,747	50,942,152	77,720,942	84,998,850		8,072,185	2,207,186	-	11,705,849	1,331,919	529,001	6,269,342	
2017-18	316,473,111	18,919,593	46,253,208	76,324,655	80,964,235	10,000,000	8,411,479	6,936,152	-	12,293,181	1,417,611	473,028	6,737,417	
2018-19	330,529,423	19,150,681	43,104,153	73,915,448	104,812,150	10,000,000	8,634,563	7,434,303	-	12,921,764	1,498,426	433,351	6,962,964	
2019-20	331,038,130	16,472,488	38,307,452	69,650,936	127,821,774	10,000,000	8,954,290	7,878,565	-	13,288,599	1,389,641	504,294	7,325,155	
2020-21	322,189,944	18,527,767	31,990,352	68,145,867	177,453,642	10,000,000	8,538,890	6,205,329	-	15,088,219	1,587,740	429,557	8,008,178	
2021-22	330,355,285	22,404,806	25,532,835	68,172,406	246,619,364	10,000,000	7,766,731	6,309,133	-	15,330,148	1,566,697	517,438	8,573,941	
2022-23	348,846,513	27,636,553	25,376,383	65,832,125	275,531,554	106,455,673	8,263,220	11,306,262	205,500,456	14,683,401	1,834,386	552,061	9,469,838	

Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of the receipt of certain tax collections from fiscal year 2019-20 to fiscal year 2020-21.

The Reserves/transfers for administrative fees/costs column includes the State retained portion of the local government sales tax collections for defraying the cost of administering the tax. Certain cost proceeds are deposited into the General Fund as non-tax revenue along with the amounts recorded in the Refund of local sales & use tax paid by state agencies column.

Effective July 1, 2004, State agencies became exempt from tax paid on direct purchases of tangible personal property that were previously eligible for refund. [The exemption replaced the refund provision.]

The Transfer: State Public School Fund column provides the quarterly transfer of State sales and use tax net collections that replaces the provision of annual State sales tax refunds to local school administrative units and joint agencies created by interlocal agreements among local school administrative units. [§ 105-164.44H]

Intergovernmental/interfund transfers ††

Dry-Cleaning Solvent Cleanup Fund: effective April 1, 2003, until July 1, 2030, an amount equal to fifteen percent (15%) of the net State sales and use taxes collected under § 105-164.4(a)(4) during the previous fiscal year is to be transferred quarterly to the Dry-Cleaning Solvent Cleanup Fund. SL 2019-237 extends the transfer provision from July 1, 2020 to July 1, 2030. Beginning with 2009-10, TIMS implementation and PDP components costs are included as applicable. The transfer to the Wildlife Resources Fund of taxes on hunting and fishing supplies and equipment was repealed effective July 1, 2011.

§ 105-164.44M(a) Aviation.-The net proceeds of the tax collected on aviation gasoline and jet fuel under § 105-164.4 must be transferred within 75 days after the end of each fiscal year to the Highway Fund; this amount is annually appropriated from the Highway Fund to the Division of Aviation of the Department of Transportation for prioritized capital improvements to general aviation airports for time-sensitive aviation capital improvement projects for economic development purposes. The initial transfer was made in FY16-17 for taxes collected during FY15-16.

Credit short-term vehicle rental proceeds to Highway Fund. SL 2017-57 provides that the sum of \$10 million of the taxes collected from the 8% tax rate imposed on the gross receipts of motor vehicle short-term leases be credited annually to the Highway Fund and the remainder credited to the General Fund (effective June 28, 2017, and applies to taxes collected on or after that date). SL 2019-69 amends § 105-187.9(a) to provide that the sum of \$10 million of the taxes collected from the combined 5% levy on vehicle subscriptions (effective October 1, 2019) and the 8% tax rate imposed on the gross receipts of motor vehicle short-term leases be credited annually to the Highway Fund and the remainder credited to the General Fund. SL 2021-180 provides that taxes collected under Article 5A of § 105 at the rate of 5% and 8% (short-term vehicle rental proceeds) shall be credited to the Highway Fund effective July 1, 2021 (\$10 million annual cap is eliminated).

§ 105-164.44M(b) Transportation Needs.-Effective July 1, 2022, SL 2022-74 provides that, at the end of each quarter, the Secretary must transfer to the Funds listed below a percentage of the net proceeds of the tax collected under this Article at the State's general rate of tax set in § 105-164.4(a). The percentages that are to be transferred are as follows:

Fiscal year	% to Highway Fund	% to Highway Trust Fund
2022-23	2%	0%
2023-24	1%	3%
2024-25 and thereafter	1.5%	4.5%

TABLE 28. -Continued

Distributions/State Aid Reimbursements:

***Hold Harmless Payments**-Repeal of local reimbursements and revenue replacement option: the 2001 General Assembly repealed local reimbursements effective July 1, 2003; the 2002 General Assembly advanced the date of the scheduled repeal to July 1, 2002. A new Article 44 of Subchapter VIII, Chapter 105 granted counties the authority to impose an additional 1/2% local sales and use tax to replace revenue lost due to repeal of the reimbursements, and provided for a transitional local government hold harmless distribution, § 105-521 (2012 sunset extended to 2013). The 2007 General Assembly enacted § 105-523 to hold harmless any county that does not benefit by \$500,000 annually from the exchange of a portion of the local sales and use taxes (Article 44) for the State's agreement to assume the nonfederal, nonadministrative costs of Medicaid. The value of the annual county assured benefit was reduced from \$500,000 to \$375,000 (effective July 1, 2014), from \$375,000 to \$250,000 (effective July 1, 2015), and from \$250,000 to \$125,000 (effective July 1, 2016), prior to being eliminated (effective July 1, 2017).

State sales and use tax rates and bases: The general State sales and use tax rate of 4.75% is imposed on the retail sale, use, or rental of tangible personal property; certain electronically delivered or accessed digital property; selected food items (dietary supplements, food sold through vending machines, prepared food, soft drinks, and candy); selected services such as the rental of an accommodation (including facilitator fees), and laundry and dry cleaning services; gross receipts derived from admission charges to certain entertainment activity; the sales price of a service contract (warranty or maintenance agreement, or repair contract), except for certain service contracts for a motor vehicle; and the sales price (or gross receipts derived from) certain repair, maintenance, and installation services transacted on or after March 1, 2016. The combined general rate of 7% is imposed on the gross receipts derived from electricity, piped natural gas, telecommunications service and ancillary service, video programming services (direct-to-home satellite and cable), spirituous liquor other than mixed beverages, and aviation gasoline and jet fuel transactions. The combined general rate is the State's general rate (4.75%) plus the rate of local tax authorized for every county in the State (2.25%). [See *Changes in State sales tax rates by year section for information pertaining to applicable tax rates and various taxability provisions.*]

Changes in State sales tax rates by year [Information for fiscal years prior to 2008-09 retained for historical reference.]

1998-99

Effective **July 1, 1998**, the State rate applicable to food purchased for home consumption was reduced from 3% to 2%.

Effective **May 1, 1999**, the State rate applicable to food purchased for home consumption was repealed.

1999-00

Effective **July 1, 1999**, sales of piped natural gas became exempt from sales tax and, instead, became subject to the piped natural gas excise tax.

2001-02

Effective **October 1, 2001**, the \$1,500 tax limit applicable to the sale or continuous lease or rental of noncommercial vehicles was repealed.

Effective **October 16, 2001**, the State general rate increased from 4% to 4.5%.

Effective **December 1, 2001**, sales of spirituous liquor, other than mixed beverages, became subject to a 6% State sales and use tax. Mixed beverages were already subject to State and local sales and use taxes and were unaffected by the law change. Effective **January 1, 2002**, gross receipts of direct-to-home satellite service to subscribers in this State became subject to a 5% State sales tax.

Effective **January 1, 2002**, gross receipts derived from providing telecommunications services became subject to a 6% State sales and use tax. Prior to the law change, local telecommunications services were subject to a 3% State sales tax rate and a 3.22% utility franchise tax rate; intrastate long distance calls were taxed at 6.5% and interstate long distance calls were exempt.

Telecommunications services include local, interstate, intrastate, toll, private telecommunications, and mobile telecommunications services.

2003-04

Effective for sales made on or after **January 1, 2004**, modular homes are subject to a 2.5% State sales and use tax rate under § 105-164.4(a)(8). Twenty percent (20%) of the taxes collected under this statute is distributed to counties. § 105-164.44G [Prior to the law change, modular homes were taxed at the 2% State sales and use tax rate under § 105-164.4(a)(1a).]

Effective **July 1, 2003**, all sales of soft drinks (fountain, those sold for home consumption, and vending) were made subject to both the State and local rates. [Prior to this date, soft drinks sold for home consumption were not taxable at the State level.] Effective **January 1, 2004**, sales of closed container soft drinks sold through vending machines were made subject to a partial exemption; only fifty percent (50%) of the sales price of closed container soft drinks sold through vending machines is taxable and subject to both the State and local rates under § 105-164.13(50).

Effective **January 1, 2004**, candy was exempted from the State tax and subject to only the 2% local tax. [Candy sold through vending machines is taxed at fifty percent (50%) of the sales price and is subject to both State and local rates under § 105-164.13(50).]

2005-06

Effective **October 1, 2005**, all sales of candy are subject to the combined general State and county tax rate (taxation of candy sold through vending machines remains unchanged).

Effective **October 1, 2005**, the sales and use tax imposed on the gross receipts of providing telecommunications and direct-to-home satellite services and on the sales of spirituous liquor other than mixed beverages increased to the combined general rate of 7%; voice mail services became taxable as part of telecommunications services.

Effective **January 1, 2006**, the combined general rate of 7% sales and use tax was imposed on the gross receipts of providing cable services; gross receipts derived from providing satellite digital audio service is taxable being subject to both the State general rate of tax and local rates.

Effective **January 1, 2006**, sales of railway cars, locomotives, and mobile classrooms and offices became taxable at the general State rate and applicable local rates (previously taxed at the State 3% rate with a \$1,500 maximum tax per article). Various farm items and fuel used for farming and commercial laundry operations were exempted from taxation (previously taxed at the 1% State sales tax rate).

Additionally, various types of machinery (farm, telephone company property, laundry, freezer plant, and broadcasting) and various types of equipment (tobacco, air courier, and flight training) along with farm storage facilities and farm containers were exempted from the 1% State rate with an \$80 maximum tax per article. Concurrently, manufacturing machinery and fuel and qualifying recycling facility equipment were exempted from the State sales tax and made subject to the new privilege tax levied under Article 5F (refer to Table 45).

2006-07

Effective **July 1, 2006**, sales of certain commercial logging machinery and related attachments, repair parts, lubricants, and fuel used to operate logging machinery were exempted from taxation (items are also exempt from the privilege tax under Article 5F). (Items were previously subject to the 1% sales or use tax or 1% privilege tax as appropriate.)

Effective **October 1, 2006**, sales to an eligible internet data center of electricity and eligible business property to be located and used at the center were exempted from taxation (\$250 million investment required).

Effective **December 1, 2006**, the State general rate decreased from 4.5% to 4.25% and the combined general rate decreased from 7% to 6.75% to coincide with the 0.25% State general rate reduction.

Effective **January 1, 2007**, the credit allowed against the sales tax imposed for locally paid cable television franchise taxes was repealed as cable service providers no longer pay franchise taxes on cable services to local governments; legislation authorized a quarterly payment from the State to local governments as replacement for the taxing authority.

2007-08

Effective **July 1, 2007**, the tax rate applicable to sales of electricity sold to a manufacturing industry or plant for use in connection with the operation of the industry or plant was reduced from 2.83% to 2.6%; the purchase by a research and development company of certain equipment, attachments, or repair parts used in the physical, engineering, and life sciences was exempted from the State and local sales or use tax and instead was made subject to the 1% privilege tax with a maximum tax of \$80 under Article 5F, Manufacturing Fuel and Certain Machinery and Equipment Tax. Effective October 1, 2007, the tax rate applicable to sales of electricity sold to a manufacturing industry or plant for use in connection with the operation of the industry or plant was further reduced from 2.6% to 1.8%; the tax rate applicable to sales of electricity sold to farmers to be used for any farming purposes other than preparing food, heating dwellings, and other household purposes was reduced from 2.83% to 1.8%; definition of "bundled transaction" set out specific taxation rules applicable for bundles of products that include both taxable and exempt products; baler twine was added to the exemption list of specific items sold to a farmer to be used for qualifying purposes; bakery thrift store sales of breads, rolls, and buns became exempt from State taxation; and the purchase by a software publishing company of certain equipment, attachments, or repair parts that meet certain requirements and the purchase by an eligible datacenter of certain machinery or equipment to be located and used at the datacenter were exempted from the State and local sales or use tax and instead made subject to the 1% privilege tax with a maximum tax of \$80 under Article 5F.

The State began assuming the financial nonfederal, nonadministrative Medicaid responsibilities for the counties over a three-year period that includes provisions for a 1/2% sales tax rate exchange between local and state governments as well as various measures to insure the locals are held harmless (protected from revenue loss) as result of the Medicaid swap legislation. Effective April 1, 2008, the combined general rate of sales and use tax increased from 6.75% to 7% to incorporate the additional 1/4% levy authorized for county governments by the 2007 General Assembly.

TABLE 28. -Continued

2008-09

Effective July 1, 2008, the tax rate applicable to sales of electricity sold to a manufacturing industry or plant for use in connection with the operation of the industry or plant and to farmers to be used for any farming purposes other than preparing food, heating dwellings, and other household purposes was further reduced from 1.8% to 1.4%.

Effective July 16, 2008, tangible personal property purchased with a client assistance debit card issued for disaster assistance relief by qualified entities became exempt; also, an exemption provision allowable for interior design services provided in conjunction with the sale of tangible personal property became effective.

Effective October 1, 2008, the State general rate increased from 4.25% to 4.5%.

Effective January 1, 2009, bakery items sold without eating utensils by an artisan bakery were exempted from the State sales tax.

2009-10

Effective July 1, 2009, the tax rate applicable to sales of electricity sold to a manufacturing industry or plant for use in connection with the operation of the industry or plant and to farmers to be used for any farming purposes other than preparing food, heating dwellings, and other household purposes was further reduced from 1.4% to 0.8%.

Effective August 7, 2009, online (remote) sales involving certain click-through transactions are subject to tax. Effective September 1, 2009, the State general rate increased from 4.5% to 5.5% (temporary increase scheduled to expire on July 1, 2011); the combined general rate increased from 7% to 8%.

Effective October 1, 2009, the State general rate increased from 5.5% to 5.75% as the remaining 0.25% local sales and use tax (Article 44) was repealed and simultaneously added to the State general rate.

Effective January 1, 2010, the 5.75% general State rate and applicable local rates apply to the net taxable sales or gross receipts derived from certain electronically delivered or accessed digital property transactions to include: an audio work, an audiovisual work, a book, magazine, newspaper, newsletter, report, or other publication, a photograph or greeting card; magazine subscriptions are subject to tax.

Also, certain computer software transactions are exempt from tax: those designed to run on an enterprise service operating system, those to be used within datacenter operations, and those used to provide ancillary service, cable service, internet access service, telecommunications service, or video programming. Also exempt: computer software or digital property that becomes a component part of other computer software or digital property that is offered for sale or of a service that is offered for sale.

2010-11

Effective July 1, 2010, the tax rate applicable to sales of electricity sold to a manufacturing industry or plant for use in connection with the operation of the industry or plant and to farmers to be used for any farming purposes other than preparing food, heating dwellings, and other household purposes was repealed (previously 0.8%); such transactions are exempt from sales and use taxation. Electricity sold to a farmer for preparing food, heating dwellings, and other household purposes remains subject to the 3% rate of sales tax. Effective January 1, 2011, the definition of sales price of a rental accommodation was expanded to include any facilitation fees incurred necessary to complete the rental; purchases made by motion picture and film production companies are subject to the general State and local sales tax rates (previously such purchases were subject to the 1% privilege tax with a maximum tax of \$80 under Article 5F, Manufacturing Fuel and Certain Machinery and Equipment Tax).

2011-12

Effective July 1, 2011, the general State rate decreased from 5.75% to 4.75% (combined general rate decreased from 8% to 7%) as result of the expiration of a temporary additional 1% State sales and use tax rate.

2013-14

Effective January 1, 2014, the general State rate applies to the gross receipts derived from admission charges to an entertainment activity, the sales price of a service contract, and the sales price of each manufactured or modular home sold at retail, including all accessories attached to the manufactured or modular home when delivered to the purchaser. The following transactions are taxable at the State general rate due to repeal of their previous statutory exemption status: sales of newspapers by newspaper street vendors and by newspaper carriers making door-to-door deliveries, and fifty percent (50%) of the sales price of newspapers sold through coin-operated vending machines; nutritional supplements sold by a chiropractic physician's office to a patient as part of the patient's treatment plan; and food and prepared meals sold by institutions of higher education (private and public).

2014-15

Effective July 1, 2014, the general State rate applies to the retail sale of breads, rolls, and buns at a bakery thrift store and to certain qualifying items (products) that previously were exempt from taxation during the annual sales tax holiday (first weekend in August) and the annual Energy Star sales tax holiday (first weekend in November); gross receipts derived from sales of electricity and piped natural gas sold at retail, sourced to the State, and billed on or after July 1, 2014, are subject to the 7% combined general rate of sales and use tax (a reduced 3.5% rate provision applies to sales by CHEMC and gas cities for a one-year period).

Effective September 1, 2014, the State general rate applies to only fifty percent (50%) of the sales price of each manufactured or modular home sold at retail, including all accessories attached to the manufactured or modular home when delivered to the purchaser.

Effective October 1, 2014, the State general rate applies to the total sales price (previously fifty percent [50%] of the sales price) of newspapers sold through coin-operated vending machines.

2015-16

Effective July 1, 2015, purchases or sales of datacenter machinery and equipment by or to an owner of a datacenter, or a contractor or subcontractor of an owner of a datacenter, are subject to the general 4.75% State sales and use tax rate (the privilege tax imposed on machinery and equipment transactions purchased by a qualifying datacenter pursuant to § 105 Article 5F expires for sales made on or after July 1, 2015).

Effective September 24, 2015, the sales price of spirituous liquor sold at retail by a distillery permit holder is subject to the 7% combined general rate of sales and use tax (sales of antique spirituous liquor are also subject to the 7% combined general rate of sales and use tax).

Effective September 30, 2015, the sales, lease, or rental of an engine to a professional motorsports racing team or a related member of a team for use in competition in a sanctioned race series is exempt from sales and use tax; an engine or a part to build or rebuild an engine for the purpose of providing an engine under an agreement to a professional motorsports racing team or a related member of a team for use in competition in a sanctioned race series is exempt from sales and use tax (exemptions expire for transactions made on or after January 1, 2020). Effective October 1, 2015, the sales price of an aircraft sold at retail is subject to the 4.75% general State rate of tax (previously 3% State rate) with a maximum tax per article of \$2,500 (previously \$1,500); the sales price of an aircraft includes all accessories attached to the aircraft at the time of delivery to the purchaser. Each qualified jet engine sold at retail or purchased for storage, use, or consumption in this State is subject to the 4.75% general State rate of sales and use tax.

The maximum use tax on a qualified jet engine purchased under a direct pay permit is \$2,500; otherwise, no maximum tax applies. Parts and accessories for use in the repair or maintenance of a qualified aircraft (or a qualified jet engine) are specifically exempt from the tax imposed on the sale at retail, and the use, storage, or consumption in this State. The sales price of (or the gross receipts) derived from a service contract applicable to a qualified aircraft (or a qualified jet engine) is exempt from taxation.

Effective January 1, 2016, the gross receipts derived from the retail sale of aviation gasoline and jet fuel are subject to the 7% combined general rate of sales and use tax (previously 4.75% general State rate) except that sales of aviation gasoline and jet fuel to an interstate air business for use in a commercial aircraft to include aviation gasoline and jet fuel purchased for use in a commercial aircraft in foreign commerce by a person whose primary business is scheduled passenger air transportation are exempt (exemption initially set to expire January 1, 2020; SL 2019-237 extends the exemption sunset to January 1, 2024).

The sale at retail or the storage, use, or consumption in this State of electricity for use at a qualifying datacenter and datacenter support equipment to be located and used at the qualifying datacenter are exempt from sales and use tax. In this application, datacenter support equipment is property that is capitalized for tax purposes under the Code and is used within the provision of a service or function included in the business of an owner, user, or tenant of the datacenter. Effective March 1, 2016, the 4.75% general State rate is imposed on the sales price of (or the gross receipts derived from) certain repair, maintenance, and installation services transacted by a retailer and sourced to the State effective for sales occurring on or after March 1, 2016. Motor vehicle repair, maintenance, and installation services transacted by a retailer are subject to the 4.75% general State sales and use tax except for services (includes replacement items and repair parts) covered under a manufacturer's warranty or dealer's warranty; the sales price of (or the gross receipts derived from) a service contract sold at retail that covers the entire motor vehicle is exempt from tax. Shoe repair services, watch, clock, and jewelry repair services, and tire recapping or retreading sales and services transacted by a retailer are subject to the 4.75% general State sales and use tax rate (sales or receipts prior to March 1, 2016 by administrative rule were permitted to be taxed at certain percentages where charges for labor and materials were not separately stated). The definition of service contract is amended to include a contract to maintain or repair tangible personal property regardless of whether the property becomes a part of or is applied to real property; additionally, a renewal of a service contract for tangible personal property where the tangible personal property becomes a part of or applied to real property prior to the effective date of the renewal is subject to sales and use tax. Installation charges made by a retailer as part of the retail sale of tangible personal property, certain digital property, and taxable services, sold at retail, are subject to the applicable rate of tax for the product, irrespective that installation charges may be separately stated by the retailer. Installation charges that are part of the gross receipts from the lease or rental of tangible personal property are subject to the applicable rate of sales and use tax, and maximum tax if applicable.

TABLE 28. -Continued

2016-17

Effective July 1, 2016, a use tax exemption is granted to a direct pay permit holder for certain boat, aircraft, and qualified jet engine charges and services: the allowable amount of the use tax exemption is the amount of the separately stated installation charges that are part of the sales price of tangible personal property or digital property. Fuel, piped natural gas, and electricity sold to a secondary metals recycler for use in recycling at its facility at which the primary activity is recycling are exempt from sales and use tax. A park model RV is classified as a motor vehicle, the sale of which is exempt from sales and use tax: the retail sale of a park model RV is subject to the highway use tax at the rate of 3% with a maximum tax of \$2,000.

Effective July 11, 2016, prepaid meal plan packaging items (wrapping paper, plastic bags, cartons, paper cups, napkins, drinking straws) used for packaging, shipment, or delivery that are part of the sale and delivered with the food or prepared food provided to a person under a prepaid meal plan are exempt from sales and use tax. Effective October 1, 2016, sales of certain recycled products that are made of more than 75% by weight of recycled materials sold for use in an accepted wastewater dispersal system are exempt from sales and use tax.

Effective January 1, 2017, an exemption from sales and use tax is allowed for the sales price of or the gross receipts derived from storage of a motor vehicle or towing service, provided the charge is separately stated on the invoice or other documentation provided to the purchaser at the time of the sale. Certain retail sales by certain nonprofit organizations are subject to sales and use tax: sales of items by a nonprofit civic, charitable, educational, scientific, or literary organization when the net proceeds of the sales will be given or contributed to the State or to one or more of its agencies or instrumentalities, or to one or more nonprofit charitable organizations, one of whose purposes is to serve as a conduit through which such net proceeds will flow to the State or to one or more of its agencies or instrumentalities are taxable. Certain sales at school sponsored events are exempt from sales and use tax: sales of food, prepared food, soft drinks, candy, and other items of tangible personal property sold not for profit for or at an event that is sponsored by an elementary or secondary school when the net proceeds of the sales will be given or contributed to the school or to a nonprofit charitable organization, one of whose purposes is to serve as a conduit through which the net proceeds will flow to the school are exempt. The definition of storage is amended to remove the statutory exclusions such that an item received by the purchaser or on behalf of the purchaser in the State is subsequently taken, subject to sales and use tax even though the item is designated for ultimate use outside the State; additionally, an item purchased from outside the State that is initially stored in the State for a period of time and shipped, or distributed outside the State for use is subject to sales or use tax. The 2016 General Assembly enacted various provisions affecting the sales and use tax base expansion items related to repair, maintenance, and installation [RMI] services, and service contracts: the newly enacted provisions repeal provisions for retail trade; expand the application of sales and use tax to RMI services of certain transactions for real property and certain digital property; identify specific RMI-related exemptions; clarify the application of sales and use tax to real property contracts with respect to capital improvements; grant an exemption for installation labor related to real property contracts; and expand the exemption applicable to motor vehicle service contracts. The definition of retail trade is repealed; the definition of retailer is amended to provide that the term does not include a real property contractor, but does include a person whose only business activity is providing RMI services (the 2015 legislated provisions applied sales and use tax to RMI services for transactions made by a person engaged in retail trade as statutorily defined). The definition of service contract is expanded in accordance with the RMI services definition with regard to services rendered with respect to digital property and certain monitoring and inspection services. Service contracts for a pool, fish tank, or similar aquatic feature and a home warranty are taxable; the term does not include a single repair, maintenance, or installation service.

2017-18

The 2017 General Assembly enacted an exemption from sales and use tax for gross receipts derived from an admission charge to an entertainment activity for an event sponsored by a farmer that takes place on farmland and is related to farming activities, such as a corn maze or a tutorial on raising crops or animals (exemption provision effective retroactively to July 1, 2014).

Effective July 1, 2017, an exemption from sales and use tax is allowed for sales of investment coins, investment metal bullion, and non-coin currency. An exemption from sales and use tax is allowed for sales of wastewater dispersal products that have been approved by the Department of Health and Human Services for dispersing wastewater effluent within the subsurface dispersal field in a ground absorption system. An exemption from sales and use tax is allowed for sales of equipment, or an accessory, an attachment, or a repair part for equipment that is sold to a large fulfillment facility and is used at the facility in the distribution process (excludes electricity). To qualify for the exemption, a large fulfillment facility must achieve required investment and employment levels within five years and maintain the minimum level of employment throughout its operation. If the level of investment or employment is not timely made, achieved, or maintained, the exemption provision is forfeited. Effective August 11, 2017, the Sales Tax Base Expansion Protection Act provides the Department of Revenue shall take no action to assess any tax due for a filing period beginning on or after March 1, 2016 and ending before January 1, 2018 if one or more conditions set forth in the statute apply and the retailer did not receive specific written advice from the Secretary of Revenue for the transactions at issue for the laws in effect for the applicable periods. The 2017 General Assembly enacted provisions relative to a mixed transaction contract (a contract that includes both a real property contract for a capital improvement and a repair, maintenance, and installation [RMI] service that is not related to the capital improvement). If the allocated sales price of the taxable RMI services included in the mixed transaction contract is greater than 25% of the contract price, then the 4.75% general State sales and use tax rate applies to the sales price of or gross receipts derived from the taxable RMI services portion of the contract. If the allocated sales price of the taxable RMI services included in the contract is less than or equal to 25% of the contract price, then the RMI service portion of the contract and the taxable personal property, digital property, or service used to perform those services are taxable as a real property contract and not subject to the 4.75% general State sales and use tax rate. The 2017 legislation increased the percentage for determining taxability of a mixed transaction contract from 10% to 25% (effective retroactively for sales and purchases made on or after January 1, 2017). The 2017 General Assembly amended the exemption for the medical group to clarify that sales of human blood (including whole blood, plasma, and derivatives), human tissue, eyes, DNA, or an organ are exempt from sales and use tax. Also, the exemption for custom computer software was amended to clarify that the exemption from sales and use tax for custom computer software and the portion of prewritten computer software that is modified or enhanced applies if the modification or enhancement is designed and developed to specifications of a specific purchaser and the charges for the modification or enhancement are separately stated on the invoice or similar billing document given to the purchaser at the time of the sale.

Effective June 12, 2018, the qualifying farmer and conditional farmer exemption was expanded to include a person who boards horses; additionally, certain items purchased to fulfill a service for a person who holds a qualifying farmer (or conditional farmer) exemption certificate are exempt from sales and use taxes (retroactive to January 1, 2014). Clarifying legislation provides that the sales and use tax exemption for drugs sold on prescription does not apply to pet food, or feed for animals, and that the exemption for over-the-counter drugs sold on prescription does not apply to purchases of over-the-counter drugs by hospitals and other medical facilities for use and treatment of patients. The statute pertaining to admission charges to entertainment activities was amended to clarify that admission charges paid by a spectator not participating in the activity are subject to the sales and use taxes.

2018-19

Effective June 12, 2018, SL 2018-5 amends § 105-244.3(a) to modify provisions to the Sales Tax Base Expansion Act and to extend the time of the grace period for an additional year. As a result, the Department of Revenue shall take no action to assess any tax due for a filing period beginning on or after March 1, 2016, and ending prior to January 1, 2019 (previously January 1, 2018) if one or more conditions set forth in the statute apply and the retailer did not receive specific written advice from the Secretary of Revenue for the transactions at issue for the laws in effect for the applicable periods. This change provides relief for additional taxes owed by certain taxpayers as a result of the expansion of the sales tax base.

Effective July 1, 2018, SL 2017-57 provides an exemption for sales of repair or replacement parts for a ready-mix concrete mill, regardless of whether the mill is free standing or affixed to a motor vehicle; previously, purchases of such to repair a concrete mill attached to a motor vehicle after the date the concrete mill is mounted, were subject to the sales and use tax.

The Department of Revenue issued a directive [SD-18-6] on August 7, 2018 requiring remote sellers not physically located in the State to collect and remit sales tax on sales sourced to NC on a prospective basis. This action resulted from the U.S. Supreme Court's June 2018 ruling in *South Dakota v. Wayfair, Inc.*, et al., in which the court found that physical presence is not necessary to create a substantial nexus between a remote seller and a taxing state. The directive provides that the existing law [§ 105-164.8(b)] is enforceable regarding remote sales and requires remote sellers having sales in excess of \$100,000 or 200 or more separate transactions sourced to the State in the previous or current calendar year to register, collect and remit sales and use tax effective November 1, 2018 or 60 days after the seller met the sales threshold, whichever was later.

SD-18-6 provisions were codified within § 105-164.8(b)(9) effective March 20, 2019. The Department issued the following directives on May 12, 2018 (effective September 1, 2018) as result of changes in interpretation: SD-18-2 provides that persons who lease or rent tangible personal property or digital property are required to collect and remit the applicable rate(s) of sales and use tax on the gross receipts derived from leases or rentals in effect on the day of the billing, no matter that the lease or rental agreement was entered into prior to September 1, 2018; SD-18-3 provides that any charge for gift wrap or gift wrap services sold at retail is subject to the general 4.75% State and applicable local tax rates; SD-18-4 provides that any charge for shop supplies, whether separately stated or not, in connection with a retail sale of tangible personal property or repair, maintenance, and installation services is subject to the general 4.75% State and applicable local tax rates; SD-18-5 provides that any charge for services to tint or color a consumer's tangible or digital photograph, whether provided by the consumer or not, is subject to tax as repair, maintenance, and installation services.

TABLE 28. -Continued

2019-20

Effective July 26, 2019, an exemption from sales and use tax is allowed for certain RMI services provided by a real property manager pursuant to a property management contract. Effective October 1, 2019, the following transaction types are exempt from the sales and use tax: sales of equipment, attachments, and repair parts for equipment used in cutting, shaping, polishing, and finishing granite, marble, and engineered stone, and for similar stone-like products sold to a company primarily engaged in the business of providing made-to-order countertops, walls, and tubs; sales of self-service car washes or vacuums and limited-service vehicle washes; certain prescription sales of diapers and incontinence underpads purchased by an enrolled State Medicaid provider for use by beneficiaries of the State Medicaid program; sales of a digital audio work or a digital audiovisual work that is a qualifying education expense under § 115C-595(a)(3) to the operator of a home school as defined in § 115C-563 and sales of a digital audio work or digital audiovisual work that consists of nontaxable service content when the electronic transfer of the digital audio work or digital audiovisual work occurs contemporaneously with the provision of the nontaxable service in real time. In addition, as part of the sales and use tax changes retroactively effective October 1, 2019, the 2020 General Assembly excluded an educational service from taxation as certain digital property. The 2019 General Assembly enacted a 5% rate on the gross receipts of vehicle subscriptions effective for transactions occurring on or after October 1, 2019. [H537 (SL 2019-69)]

Effective November 1, 2019, the sunset for the following provisions was extended to January 1, 2024 (from January 1, 2020): exemption for sales of aviation gasoline and jet fuel to an interstate air business for use in a commercial aircraft to include aviation gasoline and jet fuel purchased for use in a commercial aircraft in foreign commerce by a person whose primary business is scheduled passenger air transportation; exemptions for engine-related transactions to a professional motorsports racing team or a related member of a team for use in competition in a sanctioned race series; refund provision for aviation fuel for a professional motorsports racing team, sanctioning body, or a related member of such a team or body; and refund provision for professional motorsports racing teams or related member of a team of 50% of tax on property that comprises any part of a professional motor racing vehicle. The 2019 General Assembly enacted legislation (effective February 1, 2020) providing a retailer includes a marketplace facilitator. A marketplace facilitator is required to collect sales taxes from its remote sales (includes all marketplace-facilitated sales for all marketplace sellers) sourced to this State if the facilitator meets either of the following conditions for sales to this State in the previous or current calendar year: (1) gross sales in excess of \$100,000, or (2) 200 or more separate transactions. [S557 (SL 2019-246)]

2020-21

Effective July 1, 2020, SL 2020-6 provides an exemption for sales of livestock to qualifying or conditional farmers.

2021-22

Effective retroactively to July 1, 2020, SL 2021-180 provides an exemption for sales of fowl to qualifying or conditional farmers.

Effective October 1, 2021, SL2021-150 provides an exemption for sales of machinery, equipment, parts, and accessories to alcoholic beverage permit holders for use in the manufacture of unfortified wine, fortified wine, malt beverages, and spirituous liquor (exemption applies for sales of supplies and ingredients used or consumed by the permittee in the manufacturing process).

2022-23

Effective July 1, 2022, SL 2022-74 provides an exemption for sales of qualifying items to an interstate air and ground courier of material handling equipment, automated conveyor systems, racking systems, and related parts and accessories for the storage or handling and movement of tangible personal property at its package sorting facility (statutory investment and employment levels apply; the exemption is forfeited if the level of investment or employment is not timely made, achieved, or maintained).

Effective October 1, 2022, SL 2022-45 provides an exemption for certain sales to a wildlife manager for items used for wildlife management activities.

Effective January 1, 2023, SL 2022-45 provides an exemption for certain sales to a qualifying or conditional farmer who operates a zoo in addition to the farmer's farming operations; the exemption applies to items purchased and used by the farmer primarily in zoo operations for the housing, raising, or feeding of animals for public display.

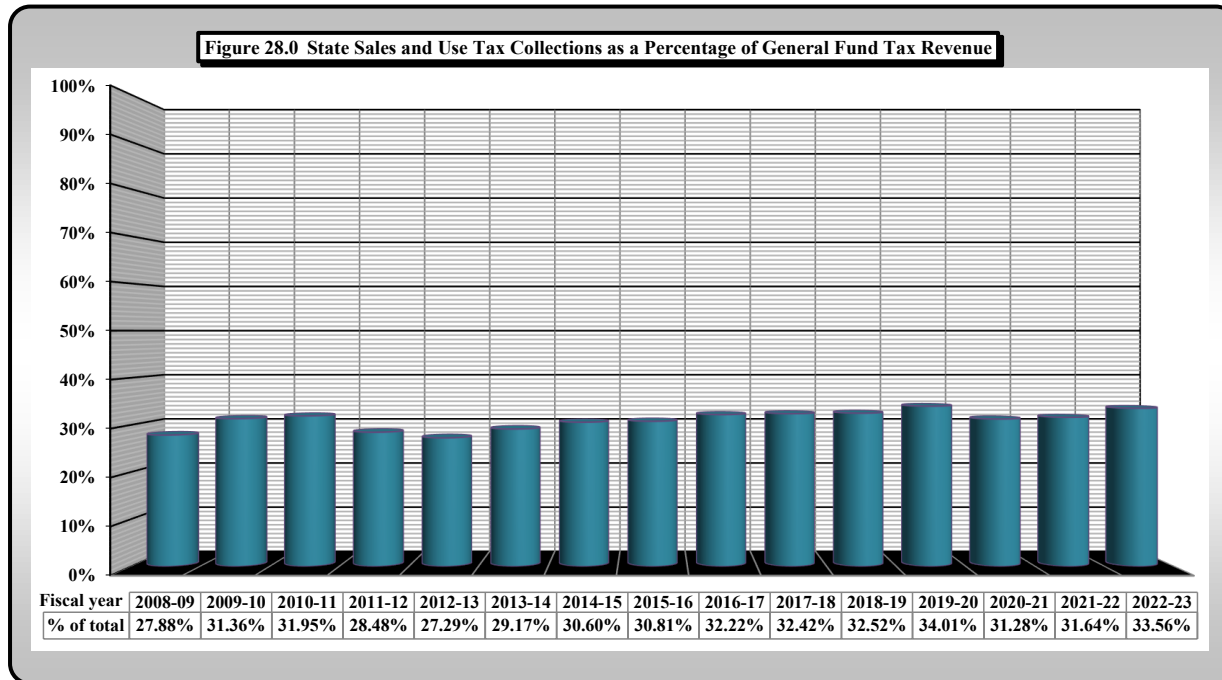
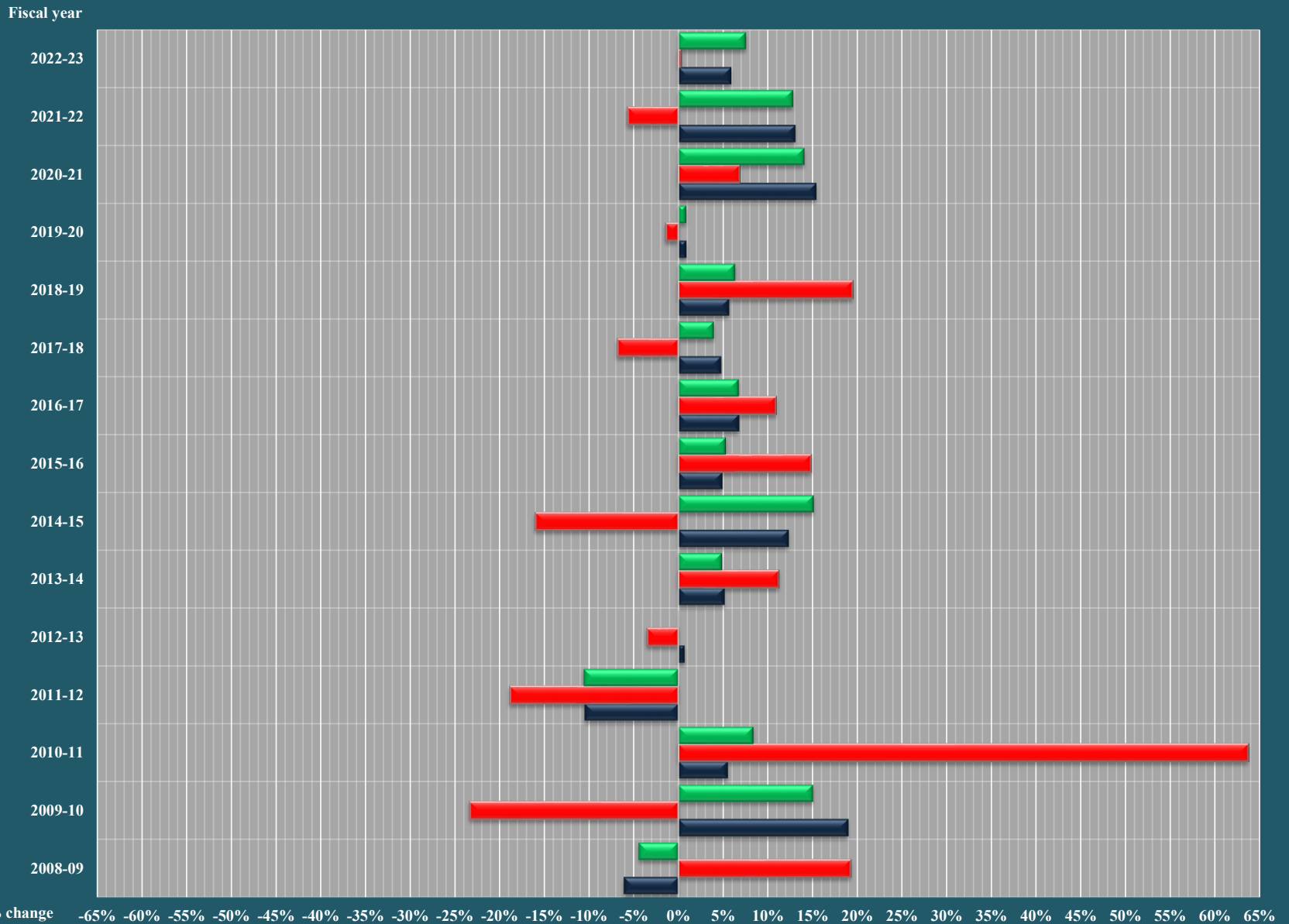


Figure 28.1 Growth Patterns: State Sales and Use Tax Collections and Refunds



	2008-09	2009-10	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20	2020-21	2021-22	2022-23
Gross collections	-4.40%	15.04%	8.40%	-10.50%	0.08%	4.90%	15.11%	5.31%	6.75%	3.98%	6.33%	0.88%	14.08%	12.81%	7.56%
Refunds	19.24%	-23.26%	63.66%	-18.79%	-3.45%	11.22%	-15.95%	14.81%	10.90%	-6.78%	19.45%	-1.35%	6.84%	-5.62%	0.29%
Net collections to General Fund	-6.10%	18.96%	5.51%	-10.46%	0.70%	5.14%	12.31%	4.92%	6.78%	4.76%	5.64%	0.89%	15.38%	13.04%	5.89%

Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively shifted the receipt of certain tax collections from fiscal year 2019-20 to fiscal year 2020-21.

Figure 28.2 State Sales and Use Tax Refunds Issued Per \$1 Collection
(Refunds issued in a given fiscal year may be associated with tax liability for a preceding year.)

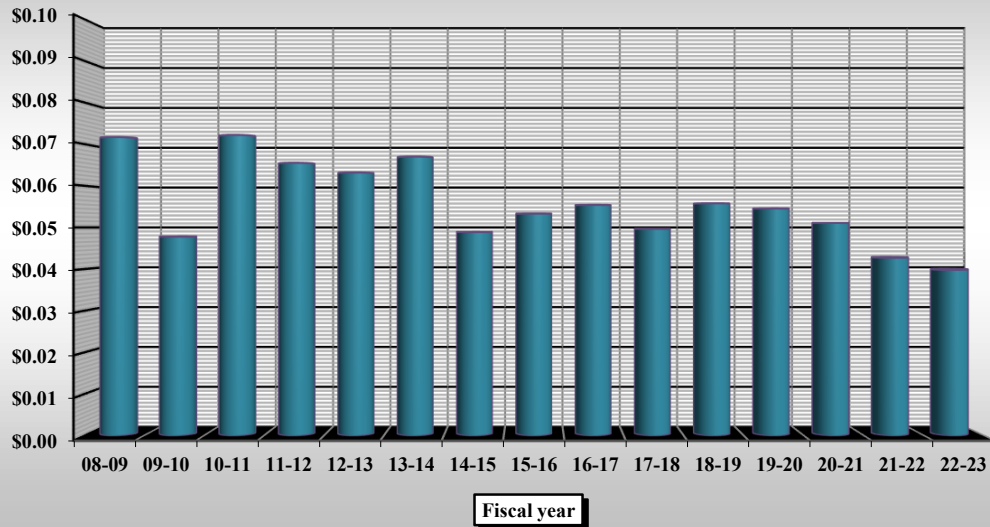


Figure 28.3 State Sales and Use Tax Collections: General Fund Portion as % of Gross Collections

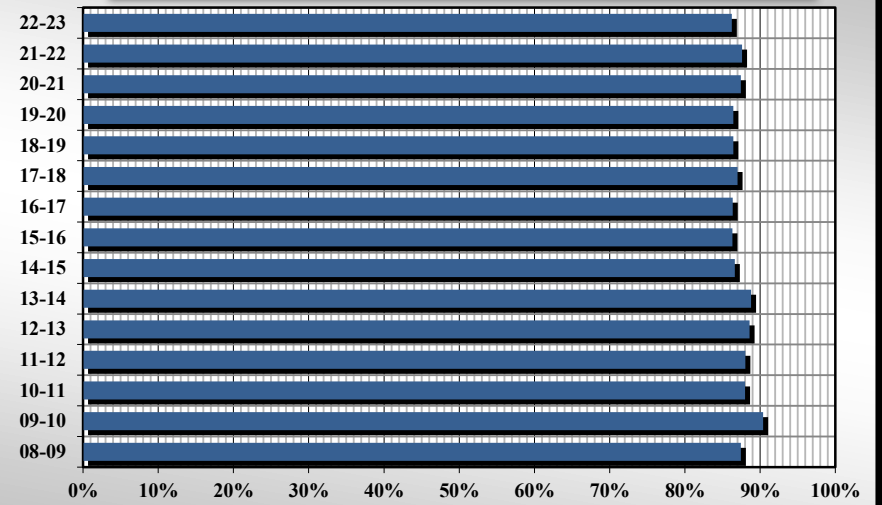


Figure 28.4 State Sales and Use Tax Gross Collections and Highway Use Tax 3% Retail Sales and 3% Long-term Lease Collections

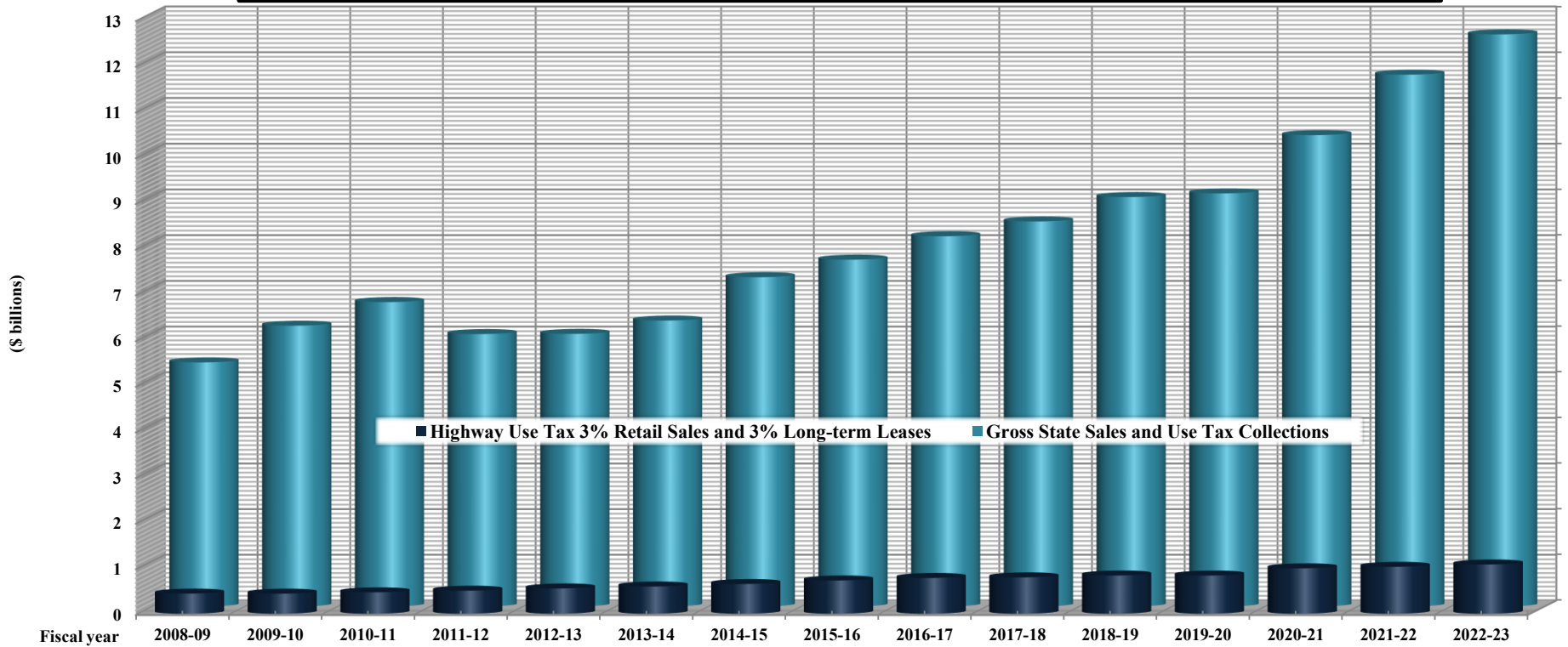


TABLE 29. STATE PER CAPITA SALES and USE TAX GROSS COLLECTIONS, PER CAPITA MOTOR FUELS TAX GROSS COLLECTIONS, PER CAPITA INDIVIDUAL INCOME TAX GROSS COLLECTIONS, and STATE PER CAPITA PERSONAL INCOME

I. State per capita personal income for calendar year† and year-over-year % change:														
2008	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022
\$37,772	\$35,921	\$35,847	\$36,816	\$38,867	\$38,062	\$39,866	\$41,617	\$42,582	\$44,207	\$46,040	\$48,366	\$51,759	\$56,698	\$58,125
5.04%	-4.90%	-0.21%	2.70%	5.57%	-2.07%	4.74%	4.39%	2.32%	3.82%	4.15%	5.05%	7.06%	9.51%	2.48%

[State per capita tax collections derived from gross collections]	II. State per capita tax collections for fiscal year ended:														
	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
State sales & use tax.....	\$575	\$651	\$697	\$619	\$615	\$639	\$730	\$762	\$805	\$829	\$873	\$872	\$987	\$1,102	\$1,171
Motor fuels tax††	\$173	\$173	\$181	\$201	\$204	\$203	\$203	\$204	\$201	\$204	\$215	\$201	\$214	\$223	\$233
Individual income tax.....	\$1,255	\$1,192	\$1,244	\$1,284	\$1,355	\$1,267	\$1,245	\$1,318	\$1,324	\$1,359	\$1,413	\$1,319	\$1,662	\$1,809	\$1,757

III. State per capita tax collections as a % of per capita personal income:															
State sales & use tax.....	1.52%	1.81%	1.94%	1.68%	1.58%	1.68%	1.83%	1.83%	1.89%	1.88%	1.90%	1.80%	1.91%	1.94%	2.01%
Motor fuels tax.....	0.46%	0.48%	0.50%	0.55%	0.52%	0.53%	0.51%	0.49%	0.47%	0.46%	0.47%	0.42%	0.41%	0.39%	0.40%
Individual income tax.....	3.32%	3.32%	3.47%	3.49%	3.49%	3.33%	3.12%	3.17%	3.11%	3.07%	3.07%	2.73%	3.21%	3.19%	3.02%

IV. State per capita tax collections year-over-year % change:															
State sales & use tax.....	-6.35%	13.22%	7.07%	-11.19%	-0.65%	3.90%	14.24%	4.38%	5.64%	2.98%	5.31%	-0.11%	13.19%	11.65%	6.26%
Motor fuels tax.....	-5.46%	0.00%	4.62%	11.05%	1.49%	-0.49%	0.00%	0.49%	-1.47%	1.49%	5.39%	-6.51%	6.47%	4.21%	4.48%
Individual income tax.....	-11.06%	-5.02%	4.36%	3.22%	5.53%	-6.49%	-1.74%	5.86%	0.46%	2.64%	3.97%	-6.65%	26.00%	8.84%	-2.87%

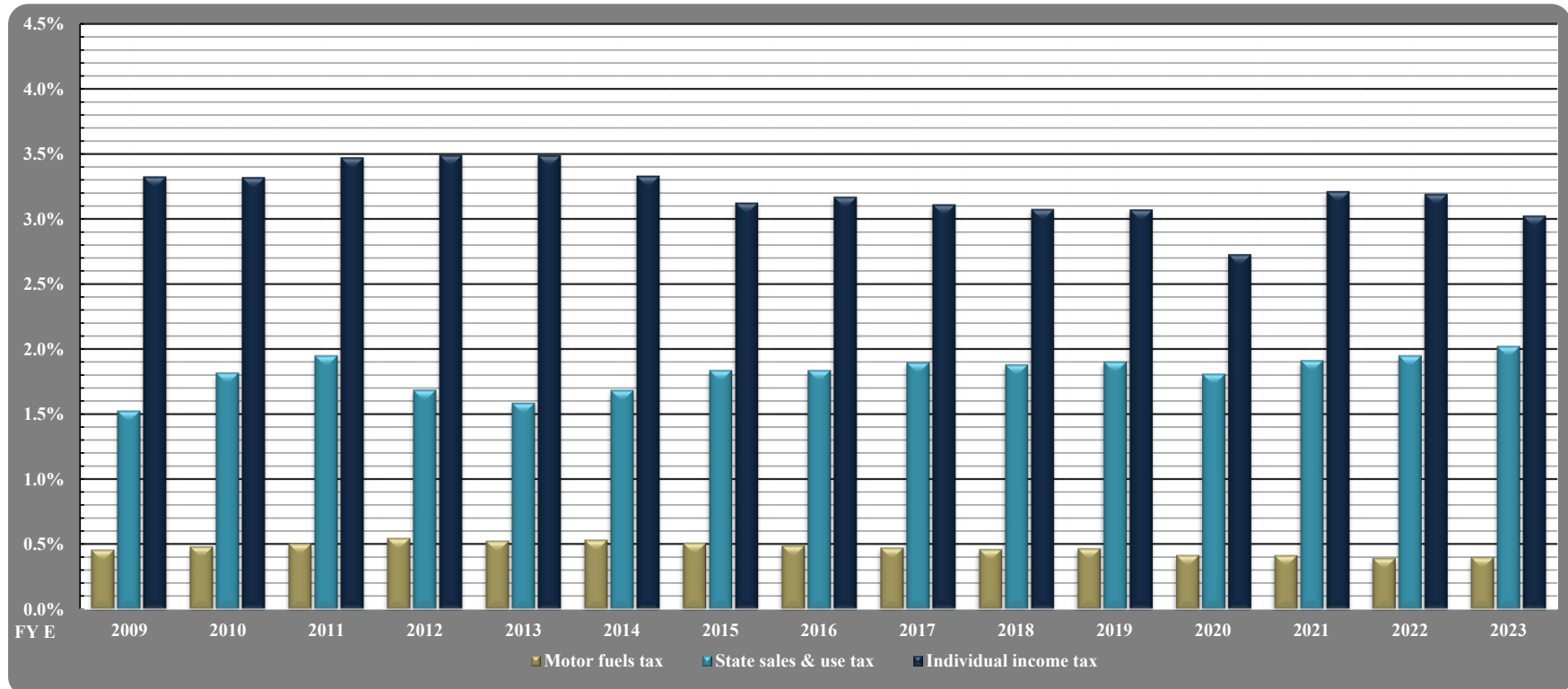
†[Personal income is for the calendar year preceding the fiscal year ended (year shown). Tax collections are measured on a July-June basis.]

Example: per capita personal income for calendar year 2008 (\$37,772) is paired with tax collections for fiscal year ended 2009.

[Per capita tax collections should be interpreted as a reflection of the portion of tax imposed (collected) on behalf of each individual.]

Source of per capita personal income: U.S. Bureau of Economic Analysis, *SAINCI State Annual Personal Income Summary: Personal Income, Population, Per Capita Personal Income*, March 29, 2024 update.

Figure 29.1 State Per Capita State Sales and Use Tax Gross Collections, Per Capita Motor Fuels Tax Gross Collections, and Per Capita Individual Income Tax Gross Collections as a % of State Per Capita Personal Income



**TABLE 30. STATE SALES AND USE TAX GROSS COLLECTIONS
GENERATED FROM THE GENERAL STATE RATE
PER ONE CENT (1¢) OF TAX**

Fiscal year	State sales and use tax gross collections [\$]	State sales and use tax gross collections taxed at general rate [\$]	Portion of State sales and use tax gross collections taxed at general rate [%]	State sales and use tax general rate [%]	Computed State sales and use tax collections per 1¢ of tax [\$]
2008-09.....	5,326,508,270	4,301,671,153	80.76%	4.25%,4.5%	975,252,000
2009-10.....	6,087,041,393	5,013,391,493	82.36%	4.5%,5.5%,5.75%	927,334,000
2010-11.....	6,620,297,200	5,557,791,438	83.95%	5.75%	966,572,000
2011-12.....	5,945,826,703	4,979,958,230	83.76%	4.75%	1,029,396,000
2012-13.....	5,984,311,036	5,005,387,259	83.64%	"	1,053,766,000
2013-14.....	6,225,651,432	5,245,071,462	84.25%	"	1,104,226,000
2014-15.....	7,186,066,406	5,723,579,677	79.65%	"	1,204,964,000
2015-16.....	7,561,719,463	6,098,212,775	80.65%	"	1,283,834,000
2016-17.....	8,071,402,030	6,620,145,273	82.02%	"	1,393,715,000
2017-18.....	8,367,505,943	6,905,768,230	82.53%	"	1,453,846,000
2018-19.....	8,931,811,911	7,445,092,342	83.35%	"	1,567,388,000
2019-20.....	9,019,490,953	7,595,166,171	84.21%	"	1,598,982,000
2020-21.....	10,228,656,334	8,786,096,161	85.90%	"	1,849,704,000
2021-22.....	11,512,978,139	10,037,781,188	87.19%	"	2,113,217,000
2022-23.....	12,413,363,629	10,873,680,093	87.60%	"	2,289,196,000

homes received similar tax treatment as manufactured homes). Effective October 1, 2015, the sales price of an aircraft sold at retail is subject to the 4.75% general State rate of tax (previously 3% State rate) with a maximum tax per article of \$2,500 (previously \$1,500). †Effective January 1, 2016, the gross receipts derived from the retail sale of aviation gasoline and jet fuel are subject to the 7% combined general rate of sales and use tax (previously 4.75% general State rate) except that sales of aviation gasoline and jet fuel to an interstate air business for use in a commercial aircraft to include aviation gasoline and jet fuel purchased for use in a commercial aircraft in foreign commerce by a person whose primary business is scheduled passenger air transportation are exempt (exemption expires January 1, 2024). Effective March 1, 2016, the 4.75% general State rate is levied on the sales price of (or the gross receipts derived from) certain repair, maintenance, and installation services sourced to the State effective for sales occurring on or after March 1, 2016.

Source: State Sales and Use Tax Statistics For Fiscal Year series at <www.ncdor.gov/news/reports-and-statistics/state-sales-and-use-tax-reports-fiscal-year>

Due to COVID-19 and the Internal Revenue's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-21) that otherwise fell due during fiscal year 2019-20.

[Collections for any given period may reflect multiple general State rates. The *Computed State sales and use tax collections per 1¢ of tax* amounts computed for years with multiple rates have been adjusted to account for the timing of rate change implementation. Tax collections generated from transactions subject to rates less than the general rate (preferential rates) and those subject to the *combined general rate* (electricity, piped natural gas, telecommunications service and ancillary service, video programming (cable and direct-to-home satellite), spirituous liquor other than mixed beverages, and aviation gasoline and jet fuel transactions†) are included in column 1 but are excluded in the computations of collections per 1¢ of tax.

Collections do not include state retained portions of local sales and use tax collections or refunds of local sales taxes to State agencies. Refer to *Table 28* for a more comprehensive list of major legislative changes affecting the tax base subject to the State general rate.]

General State rate:

The general State rate increased from 4% to 4.5% effective for sales made on or after October 16, 2001 and was reduced to 4.25% effective December 1, 2006; the 2007 General Assembly enacted legislation to extend the 4.25% rate through September 30, 2008.

Effective October 1, 2008, the rate increased to 4.5%; effective September 1, 2009, the rate increased from 4.5% to 5.5% (temporary additional 1% rate scheduled to expire on July 1, 2011); effective October 1, 2009, the rate increased from 5.5% to 5.75%; effective July 1, 2011, the temporary additional 1% rate expired resulting in an applicable rate of 4.75%.

Effective May 1, 1999, the preferential 2% State rate applicable to food purchased for home consumption was repealed; selected food items (dietary supplements, food sold through vending machines, prepared food, soft drinks, and candy) received various tax treatment since the repeal and are currently subject to the general State tax rate (refer to *Table 28*).

Effective January 1, 2006, the general State rate applies to the sales price of railway cars, locomotives, and mobile classrooms and offices (items previously subject to a preferential 3% State tax rate with a \$1,500 maximum tax per article).

Effective January 1, 2014, the general State rate applies to the sales price (fifty percent [50%] of the sales price effective September 1, 2014) of each manufactured or modular home sold at retail, including all accessories attached to the home when delivered to the purchaser (previously, manufactured homes were subject to a preferential 2% State tax rate with a \$300 maximum tax per section; modular homes were subject to a preferential 2.5% State tax rate from January 1, 2004 through December 31, 2013 (prior to January 1, 2004, modular

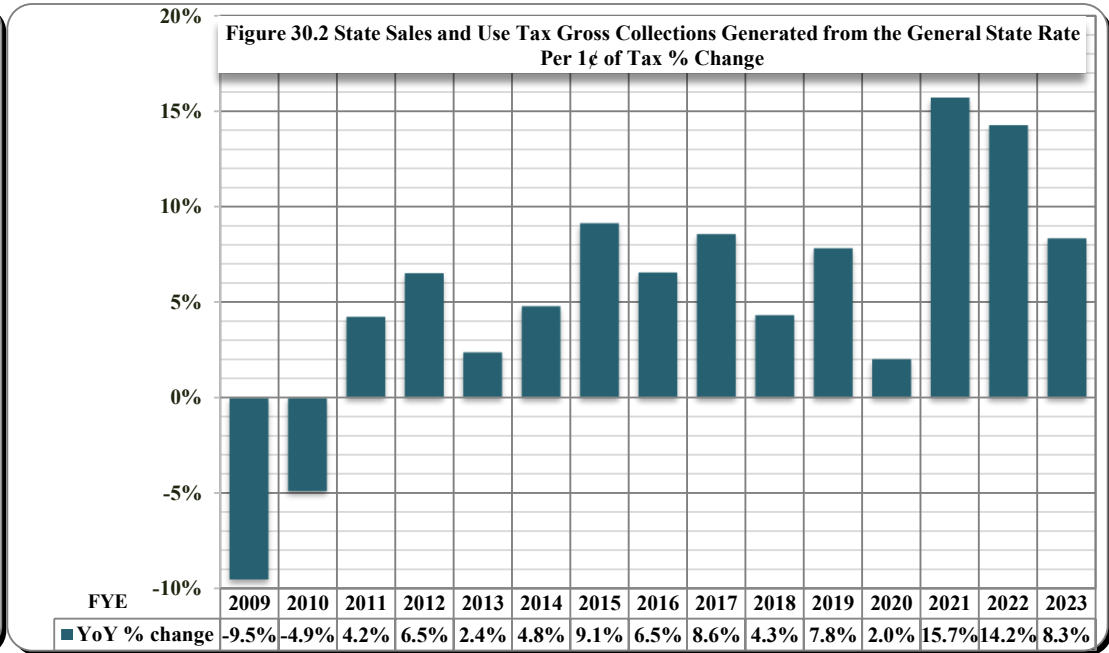
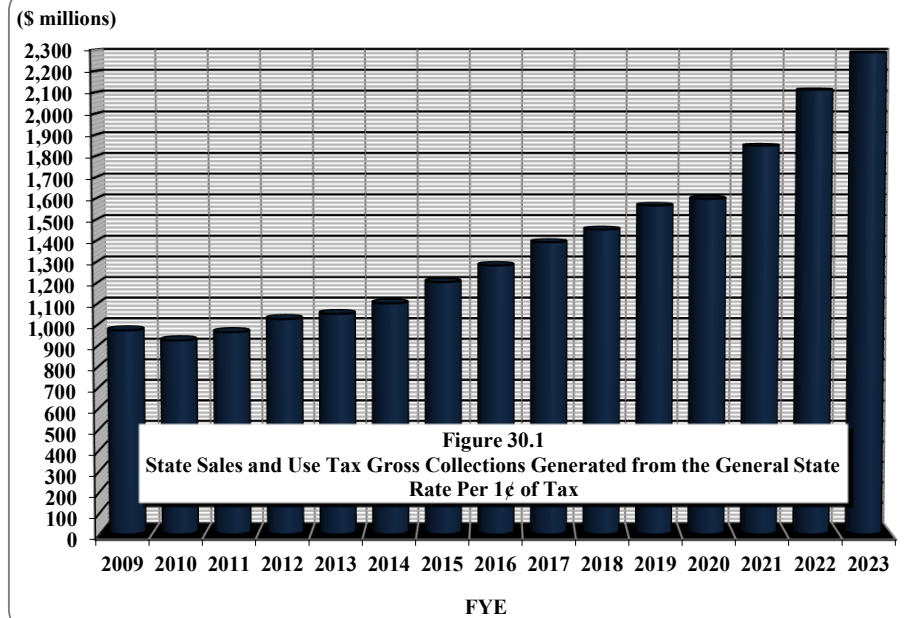


Figure 31.1 State Per Capita Tax Gross Collections: Ratio of Individual Income Tax to Sales and Use Tax

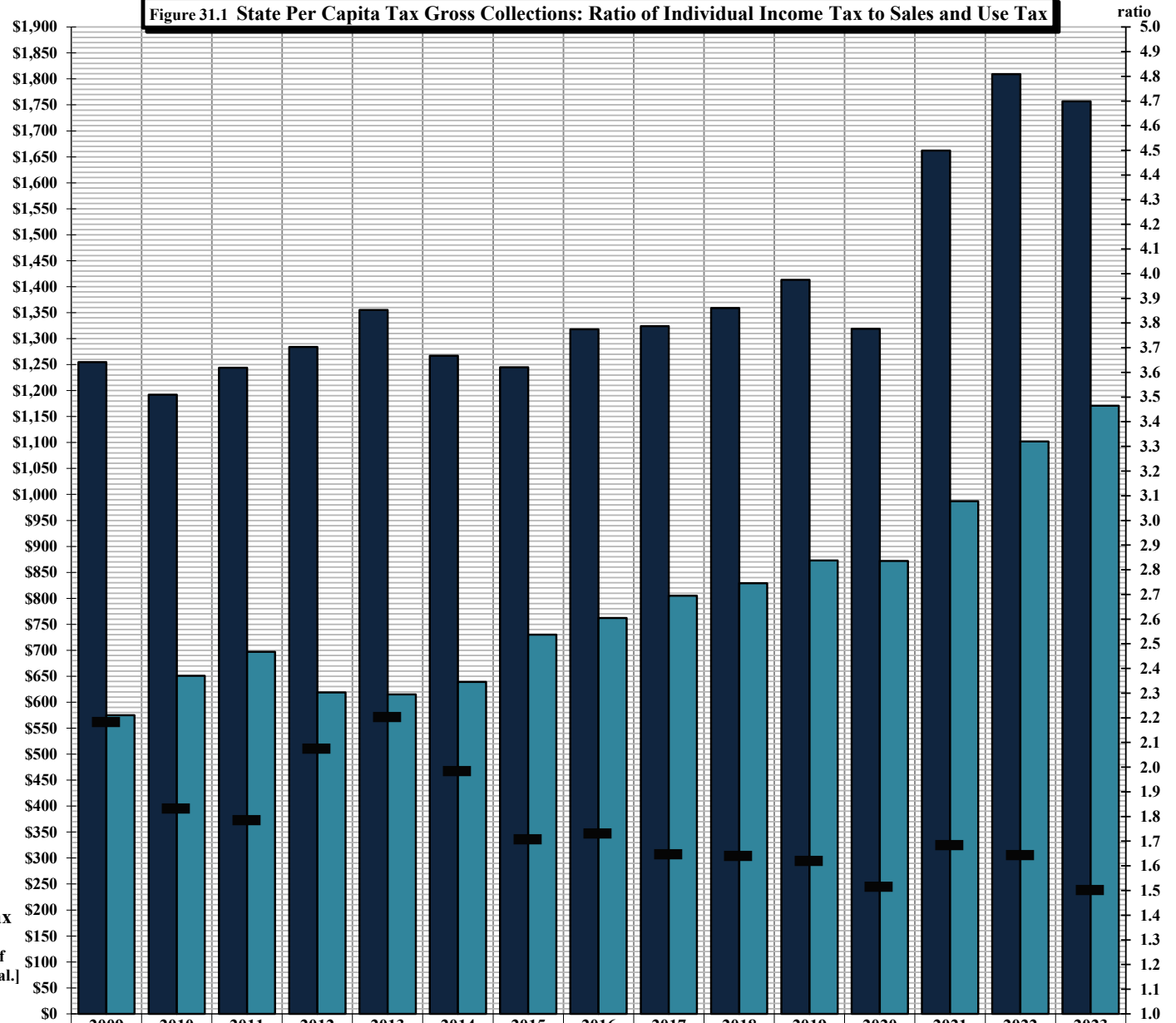


Table 31. State Per Capita Tax Gross Collections: Ratio of Individual Income Tax to Sales and Use Tax

[Per capita tax collections should be interpreted as a reflection of the portion of tax imposed (collected) on behalf of each individual.]

FYE	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023
■ Per capita gross individual income tax collections	\$1,255	\$1,192	\$1,244	\$1,284	\$1,355	\$1,267	\$1,245	\$1,318	\$1,324	\$1,359	\$1,413	\$1,319	\$1,662	\$1,809	\$1,757
■ Per capita gross sales & use tax collections	\$575	\$651	\$697	\$619	\$615	\$639	\$730	\$762	\$805	\$829	\$873	\$872	\$987	\$1,102	\$1,171
■ Per capita individual income tax collections YoY % change	-11.06%	-5.02%	4.36%	3.22%	5.53%	-6.49%	-1.74%	5.86%	0.46%	2.64%	3.97%	-6.65%	26.00%	8.84%	-2.87%
■ Per capita sales & use tax collections YoY % change	-6.35%	13.22%	7.07%	-11.19%	-0.65%	3.90%	14.24%	4.38%	5.64%	2.98%	5.31%	-0.11%	13.19%	11.65%	6.26%
■ Ratio of per capita income tax to per capita sales & use tax	2.18	1.83	1.78	2.07	2.20	1.98	1.71	1.73	1.64	1.64	1.62	1.51	1.68	1.64	1.50

Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively shifted the receipt of certain tax collections from fiscal year 2019-20 to fiscal year 2020-21.

TABLE 32. STATE SALES AND USE TAX: GROSS COLLECTIONS BY BUSINESS GROUPS AND UNITS
[§ 105 ARTICLE 5.]

Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively shifted the receipt of certain tax collections from fiscal year 2019-2020 to fiscal year 2020-2021.

Business groups/units	Fiscal year									
	2008-2009		2009-2010		2010-2011		2011-2012		2012-2013	
	Amount [\$]	% of total	Amount [\$]	% of total	Amount [\$]	% of total	Amount [\$]	% of total	Amount [\$]	% of total
Business group/unit:										
Apparel.....	160,766,330	3.0%	201,103,465	3.3%	228,324,220	3.4%	210,572,153	3.5%	217,286,706	3.6%
Automotive:	253,374,751	4.8%	298,594,153	4.9%	333,430,369	5.0%	293,295,322	4.9%	291,068,243	4.9%
Motor vehicle dealers.....	38,328,294	0.7%	45,651,373	0.7%	52,511,060	0.8%	46,398,619	0.8%	45,947,125	0.8%
Airplanes, boats - 3% rate.....	7,871,696	0.1%	6,742,653	0.1%	6,241,010	0.1%	6,951,088	0.1%	7,400,185	0.1%
Manufactured home (mobile home) dealers.....	2,587,807	0.0%	2,654,471	0.0%	2,577,280	0.0%	2,176,281	0.0%	2,024,089	0.0%
Manufactured home (mobile home).....	4,374,523	0.1%	2,793,127	0.0%	2,146,134	0.0%	2,099,181	0.0%	1,930,091	0.0%
[2% rate w/\$300 maximum tax per section]										
Modular home - [2.5% rate eff 1-1-04]	2,878,009	0.1%	2,292,810	0.0%	1,735,914	0.0%	1,652,544	0.0%	1,683,392	0.0%
Other automotive.....	197,334,421	3.7%	238,459,719	3.9%	268,218,972	4.1%	234,017,609	3.9%	232,083,361	3.9%
Food.....	886,588,933	16.6%	1,055,334,447	17.3%	1,159,701,808	17.5%	1,032,532,550	17.4%	1,050,202,818	17.5%
Furniture.....	170,867,003	3.2%	183,288,893	3.0%	197,328,858	3.0%	175,004,824	2.9%	178,706,520	3.0%
General merchandise.....	1,207,100,654	22.7%	1,424,870,188	23.4%	1,556,012,339	23.5%	1,382,986,686	23.3%	1,386,103,453	23.2%
Lumber and building material.....	516,895,325	9.7%	524,953,730	8.6%	575,147,798	8.7%	532,014,339	8.9%	525,650,799	8.8%
Utility services, cable, satellite, liquor.....	961,872,971	18.1%	1,017,975,473	16.7%	999,108,470	15.1%	899,993,920	15.1%	910,528,887	15.2%
[Combined general rate eff 10-1-05]										
[see Utility services group notes for imposition and effective dates of the various tax types in category]										
Unclassified.....	1,121,202,386	21.0%	1,337,075,208	22.0%	1,517,969,104	22.9%	1,364,255,171	22.9%	1,367,382,387	22.8%
Farm, mill, laundry machinery; fuel to farmers, manufacturers, laundries; other - 1%.....	125,625	0.0%	8,945	0.0%	39,005	0.0%	(4,749)	0.0%	9,082	0.0%
[see notes for changes in 2005-06]										
8% Highway use tax - motor vehicle leasing (short-term).....	47,714,293	0.9%	43,836,892	0.7%	53,235,229	0.8%	55,176,488	0.9%	57,372,140	1.0%
Total sales and use tax collections	5,326,508,270	100.0%	6,087,041,393	100.0%	6,620,297,200	100.0%	5,945,826,703	100.0%	5,984,311,036	100.0%

TABLE 32. - Continued

Business groups/units	Fiscal year									
	2013-2014†		2014-2015		2015-2016††,†††		2016-2017		2017-2018	
	Amount [\$]	% of total	Amount [\$]	% of total	Amount [\$]	% of total	Amount [\$]	% of total	Amount [\$]	% of total
Business group/unit:										
Apparel.....	224,340,599	3.6%	244,895,023	3.4%	257,973,768	3.4%	269,349,853	3.2%	271,528,336	3.2%
Automotive:	313,355,019	5.0%	347,722,128	4.8%	384,592,188	5.1%	452,875,544	5.4%	456,859,878	5.5%
Motor vehicle dealers.....	57,046,193	0.9%	77,158,857	1.1%	89,598,409	1.2%	101,675,806	1.2%	94,278,625	1.1%
††Airplanes, boats - 3% rate.....	7,330,327	0.1%	7,660,384	0.1%	8,576,440	0.1%	9,939,334	0.1%	10,917,669	0.1%
††[Aircraft: 4.75% general State rate eff 10-1-15]; <i>aircraft primarily included in Unclassified group</i>										
Manufactured home (mobile home) dealers.....	2,330,961	0.0%	2,518,496	0.0%	2,527,811	0.0%	2,948,437	0.0%	3,224,149	0.0%
†Manufactured home (mobile home)..... [2% rate w/\$300 maximum tax per section; 4.75% general State rate eff 1-1-14]	3,343,178	0.1%	5,812,359	0.1%	4,692,892	0.1%	5,290,615	0.1%	5,637,813	0.1%
†Modular home - [2.5% rate; 4.75% general State rate eff 1-1-14]	2,648,294	0.0%	3,406,222	0.0%	4,529,877	0.1%	4,780,002	0.1%	5,033,343	0.1%
Other automotive.....	240,656,066	3.9%	251,165,810	3.5%	274,666,758	3.6%	328,241,350	3.9%	337,768,279	4.0%
Food.....	1,094,730,715	17.6%	1,178,821,871	16.4%	1,252,560,636	16.6%	1,298,518,552	15.5%	1,352,930,781	16.2%
Furniture.....	185,386,129	3.0%	198,590,003	2.8%	208,797,979	2.8%	228,039,705	2.7%	234,487,338	2.8%
General merchandise.....	1,435,156,083	23.1%	1,572,223,923	21.9%	1,678,831,885	22.2%	1,818,440,582	21.7%	1,855,176,830	22.2%
Lumber and building material.....	559,344,805	9.0%	605,434,122	8.4%	648,853,884	8.6%	734,156,654	8.8%	785,299,570	9.4%
Utility services, cable, satellite, liquor, aviation fuel†††.... [Combined general rate] [see Utility services group notes for imposition and effective dates of the various tax types in category]	908,938,409	14.6%	1,389,049,822	19.3%	1,381,869,197	18.3%	1,364,921,626	16.3%	1,372,341,214	16.4%
Unclassified..... ††[Aircraft: 4.75% general State rate eff 10-1-15]	1,442,584,691	23.2%	1,583,552,992	22.0%	1,675,178,876	22.2%	1,828,703,716	21.9%	1,960,403,166	23.4%
Farm, mill, laundry machinery; fuel to farmers, manufacturers, laundries; other - 1%..... [see notes for changes in 2005-06]	-	-	-	-	-	-	-	-	-	-
8% Highway use tax - motor vehicle leasing (short-term)	61,814,982	1.0%	65,776,523	0.9%	73,061,051	1.0%	76,395,796	0.9%	78,478,830	0.9%
Total sales and use tax collections	6,225,651,432	100.0%	7,186,066,406	100.0%	7,561,719,463	100.0%	8,071,402,030	100.0%	8,367,505,943	100.0%

TABLE 32. - Continued

Business groups/units	Fiscal year									
	2018-2019		2019-2020		2020-2021		2021-2022		2022-2023	
	Amount [\$]	% of total	Amount [\$]	% of total	Amount [\$]	% of total	Amount [\$]	% of total	Amount [\$]	% of total
Business group/unit:										
Apparel.....	286,792,471	3.2%	268,025,950	3.0%	334,854,076	3.3%	391,446,699	3.4%	402,331,887	3.2%
Automotive:	487,228,712	5.5%	496,126,486	5.5%	557,018,463	5.4%	611,571,879	5.3%	682,953,947	5.5%
Motor vehicle dealers.....	100,928,845	1.1%	99,892,481	1.1%	109,841,185	1.1%	126,464,244	1.1%	144,330,327	1.2%
††Airplanes, boats - 3% rate.....	12,062,345	0.1%	12,918,385	0.1%	15,958,366	0.2%	15,530,286	0.1%	15,599,360	0.1%
††[Aircraft: 4.75% general State rate eff 10-1-15]; aircraft primarily included in Unclassified group										
Manufactured home (mobile home) dealers.....	3,451,851	0.0%	3,500,635	0.0%	4,079,606	0.0%	4,204,954	0.0%	4,465,499	0.0%
†Manufactured home (mobile home)..... [4.75% general State rate eff 1-1-14]	7,130,764	0.1%	8,352,066	0.1%	9,662,342	0.1%	12,326,650	0.1%	14,808,717	0.1%
†Modular home - [4.75% general State rate eff 1-1-14]	4,569,433	0.1%	4,717,238	0.1%	4,923,533	0.0%	6,347,869	0.1%	6,706,915	0.1%
Other automotive.....	359,085,474	4.0%	366,745,680	4.1%	412,553,430	4.0%	446,697,875	3.9%	497,043,129	4.0%
Food.....	1,432,454,493	16.0%	1,397,727,954	15.5%	1,459,851,218	14.3%	1,686,271,324	14.6%	1,832,250,973	14.8%
Furniture.....	247,315,497	2.8%	240,944,566	2.7%	274,490,630	2.7%	295,646,821	2.6%	307,041,930	2.5%
General merchandise.....	1,997,696,076	22.4%	2,171,446,289	24.1%	2,684,321,754	26.2%	2,961,268,776	25.7%	3,153,343,305	25.4%
Lumber and building material.....	874,864,323	9.8%	906,241,527	10.0%	1,067,419,938	10.4%	1,252,246,259	10.9%	1,366,911,596	11.0%
Utility services, cable, satellite, liquor, aviation fuel†††.... [Combined general rate] [see Utility services group notes for imposition and effective dates of the various tax types in category]	1,390,219,539	15.6%	1,337,166,997	14.8%	1,357,608,843	13.3%	1,361,289,533	11.8%	1,417,628,502	11.4%
Unclassified..... ††[Aircraft: 4.75% general State rate eff 10-1-15]	2,130,803,114	23.9%	2,127,571,784	23.6%	2,424,098,448	23.7%	2,854,859,716	24.8%	3,144,445,815	25.3%
Farm, mill, laundry machinery; fuel to farmers, manufacturers, laundries; other - 1%..... [see notes for changes in 2005-06]	-	-	-	-	-	-	-	-	-	-
8% Highway use tax - motor vehicle leasing (short-term). [includes proceeds from 5% vehicle subscription rate eff 10-1-19; SL 2019-69]	84,437,685	0.9%	74,239,400	0.8%	68,992,963	0.7%	98,377,132	0.9%	106,455,673	0.9%
Total sales and use tax collections	8,931,811,911	100.0%	9,019,490,953	100.0%	10,228,656,334	100.0%	11,512,978,139	100.0%	12,413,363,629	100.0%

Source: State Sales and Use Tax Statistics For Fiscal Year series at <www.ncdor.gov/news/reports-and-statistics/state-sales-and-use-tax-reports-fiscal-year>

Amounts shown are gross collections of State sales and use tax processed by the Department of Revenue for the July through June of each designated fiscal year.

Negative collection values attributable to the 1% rate business classification reflect negative adjustments made to multiple account periods.

Business classifications

Business classifications are not indicative of sales of specific items (merchandising lines), but are, instead, reflective of all transactions reported by a business registered (coded) within a particular classification. For instance, the food category includes sales of all items sold by establishments registered as bakeries, candy and confectionery stores, dairies and dairy bars, vending machine operators, drink stands, restaurants, cafeterias, grills, snack bars, taverns, nightclubs, and grocers (taxable food, cleaning products, toiletries, hardware, floral sales, taxable pharmaceutical items, gifts, toys, office supplies, and miscellany). Sales of taxable food items reported by establishments registered as discount stores, wholesale buying clubs, and convenience stores are included within the general merchandise group - not the food group.

The apparel category includes all transactions (including accessories) reported by merchants registered (coded) as apparel businesses; apparel transactions of department stores, discount stores, wholesale buying clubs, etc. are included within the general merchandise group - not the apparel group.

The furniture category includes all transactions (including accessories) reported by merchants registered (coded) as furniture dealers; furniture items sold by department stores, discount stores, flea markets, etc. are included within the general merchandise group - not the furniture group.

Data are by-product data compiled during the processing of forms and remittances filed by taxpayers required to register for, collect, and remit sales and use taxes, and are classified according to the business classification code which is self-selected by the merchant during the sales and use tax business registration process.

Changes in general sales tax rate: Effective October 16, 2001, the rate increased from 4% to 4.5%; effective December 1, 2006, the rate decreased to 4.25%; effective October 1, 2008, the rate increased to 4.5%; effective September 1, 2009, the rate increased from 4.5% to 5.5%; effective October 1, 2009, the rate increased to 5.75%; effective July 1, 2011, the rate decreased to 4.75%.

TABLE 32. - Continued

1%, 2%, 2.5%, and 3% tax group (as of October 1, 2015, the 3% rate applicable to the sale of boats is the remaining State preferential sales and use tax rate):

- 2003-04 Effective for sales made on or after January 1, 2004, modular homes are subject to a 2.5% State sales and use tax rate under § 105-164.4(a)(8). Twenty percent (20%) of the taxes collected under this statute is distributed to counties and municipalities. [§ 105-164.44G] [Prior to the law change, modular homes were taxed at the 2% State sales and use tax rate under § 105-164.4(a)(1a).]
- 2005-06 Effective January 1, 2006, sales of railway cars, locomotives, and mobile classrooms and offices became taxable at the general State rate and applicable local rates (previously taxed at the State 3% rate with a \$1,500 maximum tax per article). Various farm items and fuel used for farming and commercial laundry operations were exempted from taxation (previously taxed at the 1% State sales tax rate). Additionally, various types of machinery (farm, telephone company property, laundry, freezer plant, and broadcasting) and various types of equipment (tobacco, air courier, and flight training) along with farm storage facilities and farm containers were exempted from the 1% State rate with an \$80 maximum tax per article. Concurrently, manufacturing machinery and fuel and qualifying recycling facility equipment were exempted from the State sales tax and made subject to the new privilege tax levied under Article 5F (refer to Table 45).
- 2006-07 Effective July 1, 2006, sales of certain commercial logging machinery and related attachments, repair parts, lubricants, and fuel used to operate logging machinery were exempted from taxation (items are also exempt from the privilege tax under Article 5F). (Items were previously subject to the 1% sales or use tax or 1% privilege tax as appropriate.)
- 2013-14 Effective January 1, 2014, the State general rate applies to the sales price of each manufactured or modular home sold at retail, including all accessories attached to the home when delivered to the purchaser (previously, manufactured homes were taxed at a State preferential 2% rate with a \$300 maximum tax per section; modular homes were taxed at 2.5%).
- 2014-15 Effective September 1, 2014, the State general rate applies to only fifty percent (50%) of the sales price of each manufactured or modular home sold at retail, including all accessories attached to the home when delivered to the purchaser.
- 2015-16 Effective October 1, 2015, the sales price of an aircraft sold at retail is subject to the 4.75% general State rate of tax (previously 3% State rate) with a maximum tax per article of \$2,500 (previously \$1,500); the sales price of an aircraft includes all accessories attached to the aircraft at the time of delivery to the purchaser.

Food group:

- 1996-97 Effective January 1, 1997, the State rate applicable to food purchased for home consumption was reduced from 4% to 3%.
- 1998-99 Effective July 1, 1998, the State rate applicable to food purchased for home consumption was reduced from 3% to 2%.
- Effective May 1, 1999, the 2% State rate applicable to food purchased for home consumption was repealed.
- 2003-04 Effective July 1, 2003, all sales of soft drinks (fountain, those sold for home consumption, and vending) were made subject to both the State and local rates. [Prior to this date, soft drinks sold for home consumption were not taxable at the State level.] [Effective January 1, 2004, sales of closed container soft drinks sold through vending machines were made subject to a partial exemption; only fifty percent (50%) of the sales price of closed container soft drinks sold through vending machines is taxable and subject to both the State and local rates under § 105-164.13(50).] Effective January 1, 2004, candy was exempted from the State tax and subject to only the 2% local tax. [Candy sold through vending machines is taxed at fifty percent (50%) of the sales price and is subject to both the State and local rates under § 105-164.13(50).]
- 2005-06 Effective October 1, 2005, all sales of candy are subject to the combined general State and county tax rate; taxation of candy sold through vending machines remains unchanged.
- 2007-08 Effective October 1, 2007, bakery thrift store sales of bread, rolls, and buns became exempt from the State sales tax.
- 2008-09 Effective January 1, 2009, bakery items sold without eating utensils by an artisan bakery were exempted from the State sales tax.
- 2014-15 Effective July 1, 2014, the exemption for bakery thrift store sales of bread, rolls, and buns is repealed: such sales are subject to the State general rate of tax.

Utility services group/Combined general rate:

- 1996-97 Effective August 1, 1996, sales of electricity and piped natural gas to farmers, manufacturers, and commercial laundries and dry cleaners for prescribed purposes were made subject to a 2.83% rate rather than 3%.
- 1999-00 Effective July 1, 1999, sales of piped natural gas became exempt from sales tax and, instead, became subject to the piped natural gas excise tax.
- 2001-02 Effective December 1, 2001, sales of spirituous liquor, other than mixed beverages, became subject to a 6% State sales and use tax. Mixed beverages were already subject to State and local sales and use taxes and were unaffected by the law change. Effective January 1, 2002, gross receipts of direct-to-home satellite service to subscribers in this State became subject to a 5% State sales tax. Effective January 1, 2002, gross receipts derived from providing telecommunications services became subject to a 6% State sales and use tax. Prior to the law change, local telecommunications services were subject to a 3% State sales tax rate and a 3.22% utility franchise tax rate; intrastate long distance calls were taxed at 6.5% and interstate long distance calls were exempt. Telecommunications services include local, interstate, intrastate, toll, private telecommunications, and mobile telecommunications services.
- 2005-06 Effective October 1, 2005, the sales and use tax imposed on the gross receipts of providing telecommunications and direct-to-home satellite services and on the sales of spirituous liquor, other than mixed beverages, increased to the combined general rate of 7%; voice mail services became taxable as part of telecommunications services. Effective January 1, 2006, the combined general rate of 7% sales and use tax is imposed on the gross receipts of providing cable services; gross receipts derived from providing satellite digital audio radio service is taxable being subject to both the State general rate of tax and local rates.
- 2006-07 Effective December 1, 2006, the combined general rate was reduced from 7% to 6.75% to coincide with the 0.25% State general rate reduction. The combined general rate is the State general rate plus the sum of the rates of local tax authorized for every county in the State (2.5%). The combined general rate is imposed on the gross receipts of providing telecommunications service and ancillary service, video programming services (direct-to-home satellite and cable), and to sales of spirituous liquor other than mixed beverages. Effective January 1, 2007, the credit allowed against the sales tax imposed for locally paid cable television franchise taxes was repealed as cable service providers no longer pay franchise taxes on cable services to local governments; legislation authorized a quarterly payment from the State to local governments as replacement for the taxing authority.
- 2007-08 Effective July 1, 2007, the tax rate applicable to sales of electricity sold to a manufacturing industry or plant for a qualifying purpose was reduced from 2.83% to 2.6%. Effective October 1, 2007, the tax rate applicable to sales of electricity sold to a manufacturing industry or plant for a qualifying purpose was further reduced from 2.6% to 1.8%; the tax rate applicable to sales of electricity sold to a farmer for a qualifying purpose was reduced from 2.83% to 1.8%. Effective April 1, 2008, the combined general rate increased from 6.75% to 7% to incorporate the additional 1/4% levy authorized for county governments.
- 2008-09 Effective July 1, 2008, the tax rate applicable to sales of electricity sold to a manufacturing industry (or to a farmer) for a qualifying purpose decreased from 1.8% to 1.4%.
- 2009-10 Effective July 1, 2009, the tax rate applicable to sales of electricity sold to a manufacturing industry (or to a farmer) for a qualifying purpose decreased from 1.4% to 0.8%. Effective September 1, 2009, the combined general rate increased from 7% to 8% to incorporate the general State sales tax rate increase.
- 2010-11 Effective July 1, 2010, the tax rate applicable to sales of electricity sold to a manufacturing industry (or to a farmer) for a qualifying purpose was repealed.
- 2011-12 Effective July 1, 2011, the combined general rate decreased from 8% to 7% to incorporate the general State sales tax rate reduction.
- 2014-15 Effective July 1, 2014, gross receipts derived from sales of electricity and piped natural gas sold at retail, sourced to the State, and billed on or after July 1, 2014, are subject to the 7% combined general rate of sales and use tax (a reduced 3.5% rate provision applies to sales by CHEMC and gas cities for a one-year period).
- 2015-16 Effective January 1, 2016, gross receipts derived from the retail sale of aviation gasoline and jet fuel are subject to the 7% combined general rate of sales and use tax (previously 4.75% general State rate) except that sales of aviation gasoline and jet fuel to an interstate air business for use in a commercial aircraft to include aviation gasoline and jet fuel purchased for use in a commercial aircraft in foreign commerce by a person whose primary business is scheduled passenger air transportation are exempt (exemption initially scheduled to expire January 1, 2020; SL 2019-237 extends exemption sunset to January 1, 2024). The sale at retail or the storage, use, or consumption in this State of electricity for use at a qualifying datacenter is exempt from the combined general rate of tax.

STATE SALES AND USE TAX GROSS COLLECTIONS BY BUSINESS CLASSIFICATION

Figure 32.1 State Sales and Use Tax Gross Collections by Business Classification for Fiscal Year 2008-09

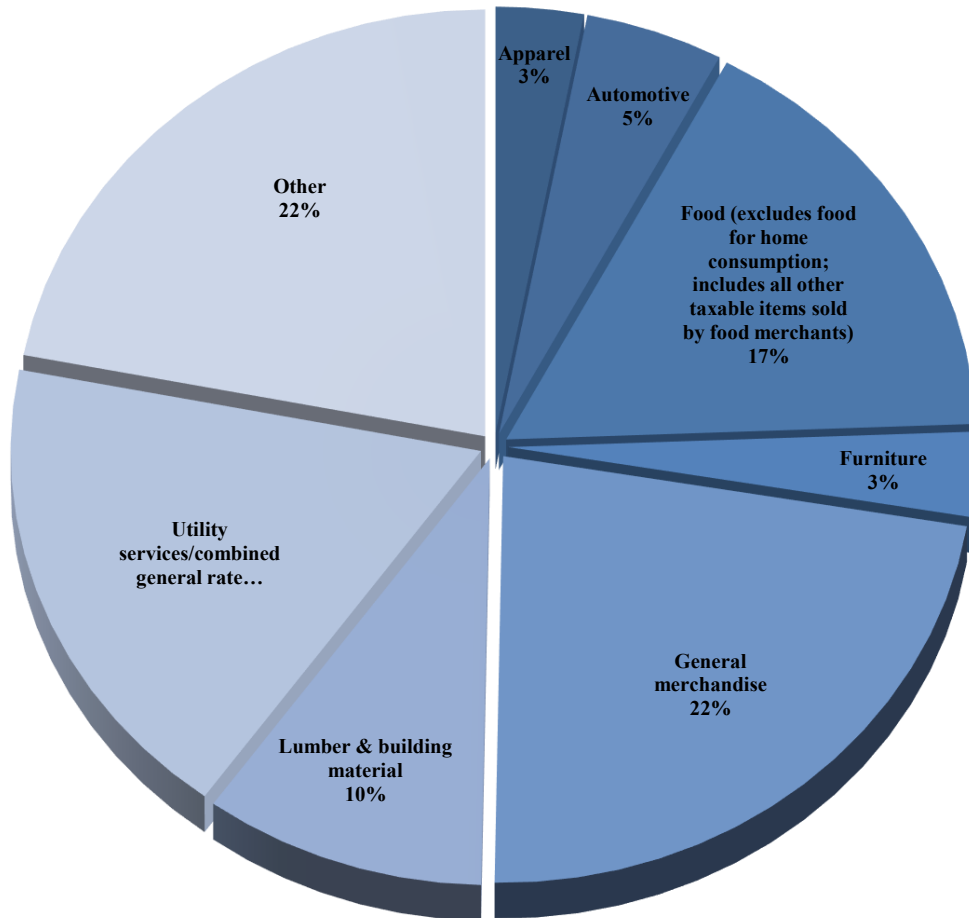
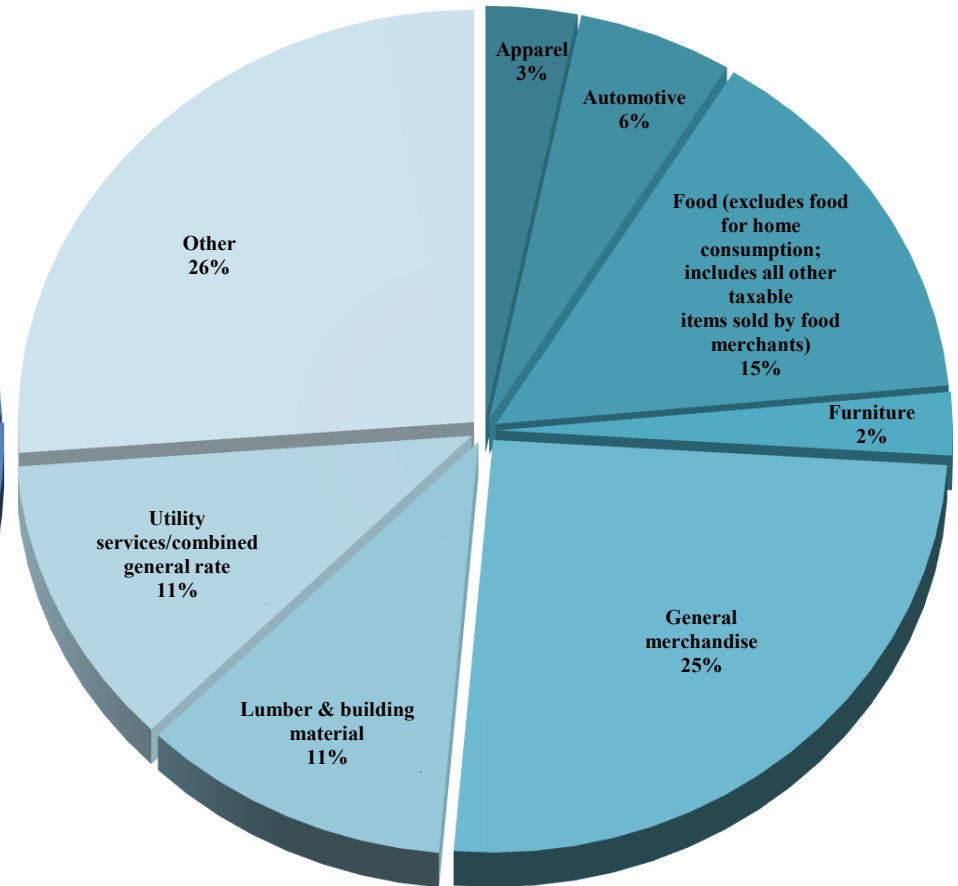


Figure 32.2 State Sales and Use Tax Gross Collections by Business Classification for Fiscal Year 2022-23



Business classifications are not indicative of sales of specific products (merchandising lines), but are, instead, reflective of all taxable items sold by a merchant or business establishment coded in the classification. For example, the food category includes all transactions of establishments such as bakeries, dairy bars, vending machine operators, restaurants, grills, taverns, nightclubs, and grocers. All taxable items sold by a grocer including taxable food, cleaning products, toiletries, hardware, floral sales, taxable pharmaceutical items, gifts, toys, office supplies, and miscellany are included in the food category while taxable food items sold by discount stores, wholesale buying clubs, department stores, and convenience stores are included in the general merchandise group - not the food group. The State tax rate applicable to food for home consumption was repealed effective for transactions on or after May 1, 1999; food for home consumption is subject to a local 2% tax rate.

TABLE 33. SALES AND USE TAX REFUNDS BY TYPE OF TAX REFUNDED BY TYPE OF CLAIMANT

Fiscal year	Carriers in interstate commerce			Nonprofit hospitals, churches, etc.			North Carolina counties, municipalities, United States government and other governmental entities			All others [Excludes refunds of local tax paid by State agencies]†			All refunds [Excludes refunds of local tax paid by State agencies]†		
	State tax [S]	Local tax [S]	Total tax†† [S]	State tax [S]	Local tax [S]	Total tax†† [S]	State tax [S]	Local tax [S]	Total tax†† [S]	State tax [S]	Local tax [S]	Total tax†† [S]	State tax [S]	Local tax [S]	Total tax†† [S]
2008-09.....	3,870,785	2,232,006	6,102,792	216,810,046	117,047,722	333,857,768	91,899,768	72,666,916	164,566,685	70,747,621	33,071,847	103,819,468	383,328,220	225,018,492	608,346,712
2009-10.....	4,469,312	2,428,413	6,897,725	161,785,189	89,572,642	251,357,831	85,713,647	65,089,072	150,802,719	42,181,156	19,761,026	61,942,182	294,149,304	176,851,153	471,000,457
2010-11.....	6,694,270	3,414,728	10,108,999	301,659,267	125,105,391	426,764,659	112,104,531	67,964,511	180,069,042	60,958,021	24,240,106	85,198,127	481,416,090	220,724,737	702,140,826
2011-12.....	6,763,990	2,951,118	9,715,107	214,098,591	81,377,497	295,476,088	117,468,231	57,821,760	175,289,992	52,610,759	21,172,452	73,783,212	390,941,571	163,322,827	554,264,398
2012-13.....	4,229,676	2,005,217	6,234,894	223,050,954	102,623,065	325,674,019	90,929,996	55,750,161	146,680,158	59,229,661	26,425,806	85,655,467	377,440,288	186,804,250	564,244,538
2013-14.....	3,652,290	1,791,345	5,443,636	267,984,670	130,162,950	398,147,619	99,189,538	60,703,221	159,892,760	48,961,211	18,449,904	67,411,115	419,787,709	211,107,420	630,895,129
2014-15.....	3,504,161	1,567,051	5,071,211	211,554,518	103,016,951	314,571,469	93,482,728	59,899,880	153,382,608	44,296,501	19,568,735	63,865,236	352,837,908	184,052,617	536,890,524
2015-16.....	11,159,367	5,065,388	16,224,755	236,679,136	113,117,212	349,796,348	94,322,378	60,335,080	154,657,459	62,946,242	14,276,764	77,223,006	405,107,123	192,794,444	597,901,567
2016-17.....	6,653,560	3,042,479	9,696,040	247,749,847	118,884,377	366,634,224	104,707,830	66,321,527	171,029,358	90,160,029	45,808,300	135,968,328	449,271,266	234,056,684	683,327,950
2017-18.....	2,652,712	1,177,358	3,830,070	252,941,945	120,705,203	373,647,148	114,879,642	72,216,236	187,095,878	48,341,648	21,687,514	70,029,163	418,815,947	215,786,312	634,602,259
2018-19.....	3,116,527	1,371,904	4,488,431	313,644,739	152,467,921	466,112,660	120,013,755	76,991,012	197,004,768	63,493,158	28,094,222	91,587,380	500,268,180	258,925,059	759,193,238
2019-20.....	3,352,450	1,529,527	4,881,977	294,630,265	143,318,053	437,948,318	130,267,698	82,629,174	212,896,871	65,270,028	24,857,513	90,127,541	493,520,441	252,334,266	745,854,708
2020-21.....	2,959,491	1,373,266	4,332,756	304,593,274	147,718,884	452,312,157	134,885,522	83,693,199	218,578,721	84,843,057	37,122,023	121,965,080	527,281,343	269,907,372	797,188,714
2021-22.....	2,880,666	1,352,696	4,233,362	267,028,767	129,088,292	396,117,058	138,831,581	84,236,412	223,067,992	88,894,901	39,305,947	128,200,849	497,635,915	253,983,346	751,619,261
2022-23.....	9,427,895	4,038,665	13,466,560	303,601,175	148,297,996	451,899,171	133,716,679	89,292,886	223,009,565	52,346,308	22,968,204	75,314,512	499,092,056	264,597,752	763,689,808

†Refunds of local sales and use taxes paid by State agencies are transferred to the General Fund as non-tax revenue (refer to Table 3).

State agency refund transfers to General Fund (non-tax revenue):

2008-09	\$1,906,144	2016-17	\$1,875,630
2009-10	2,133,686	2017-18	1,734,032
2010-11	2,432,477	2018-19	2,545,157
2011-12	3,555,009	2019-20	1,928,570
2012-13	2,825,727	2020-21	2,201,062
2013-14	3,716,166	2021-22	1,226,081
2014-15	2,451,642	2022-23	1,567,457
2015-16	2,188,868		

Refunds of local tax paid by State agencies [§ 105-164.14(e)]

Effective July 1, 2004, State agencies became exempt from tax paid on direct purchases of tangible personal property that previously were eligible for refund. [The exemption replaced the refund provision.]

††Refunds reflect accounts undergoing financial activity update during the designated fiscal year and reflect actual payments to taxpayers (amounts exclude any approved refundable amounts credited to taxpayer accounts to offset future or existing tax liability).

TABLE 34. SALES AND USE TAX GOVERNMENTAL REFUNDS BY TYPE OF GOVERNMENTAL CLAIMANT

[Refunds are combined State and local taxes]

Fiscal year	Counties [S]	Municipalities [S]	Public Schools† [S]	Other refunds				Total [S]
				Special Districts/ Authorities [S]	U.S. Government [S]	University System†† [S]	Total Other [S]	
2008-09.....	56,983,541	64,154,598	20,658,916	7,458,198	4,049,026	11,262,406	22,769,630	164,566,685
2009-10.....	49,884,770	61,520,991	17,859,179	7,441,093	4,358,917	9,737,770	21,537,779	150,802,719
2010-11.....	73,060,237	66,648,600	17,255,463	8,061,810	3,678,707	11,364,226	21,537,779	178,502,079
2011-12.....	60,712,820	72,056,625	15,733,314	7,383,048	8,046,010	11,358,175	26,787,233	175,289,992
2012-13.....	47,672,883	59,056,531	16,334,960	7,257,954	5,444,678	10,913,151	23,615,783	146,680,158
2013-14.....	52,187,446	65,195,453	17,215,760	6,725,423	6,722,568	11,846,109	25,294,100	159,892,760
2014-15.....	44,960,034	64,594,644	16,718,934	7,103,031	6,095,455	13,910,511	27,108,997	153,382,608
2015-16.....	44,413,004	71,166,791	17,043,506	7,647,125	1,255,549	13,131,484	22,034,158	154,657,459
2016-17.....	52,726,234	76,559,352	18,104,922	6,010,610	4,311,614	13,316,627	23,638,851	171,029,358
2017-18.....	60,192,406	80,168,427	18,709,215	11,803,422	780,678	15,441,730	28,025,831	187,095,878
2018-19.....	64,656,197	82,152,596	19,281,664	11,391,616	4,764,229	14,758,466	30,914,311	197,004,768
2019-20.....	65,277,965	88,203,995	19,437,484	12,106,752	1,569,410	26,301,266	39,977,428	212,896,871
2020-21.....	78,447,938	95,523,544	19,211,765	13,277,966	1,319,707	10,797,801	25,395,474	218,578,721
2021-22.....	76,106,021	98,998,323	22,185,547	12,102,521	1,274,471	12,401,108	25,778,101	223,067,992
2022-23.....	86,988,929	82,926,046	25,580,516	12,649,650	867,810	13,996,613	27,514,074	223,009,565

Historical notes:

The second extra session of the 1996 General Assembly authorized refunds of sales and use taxes to UNC Hospitals at Chapel Hill for taxes paid on or after January 1, 1997; SL 1998-212 created the University of North Carolina Health Care System pursuant to § 116-37 effective November 1, 1998.

School administrative units were first eligible to receive refunds in fiscal year 1999-00 for taxes paid on or after January 1, 1998.

†Effective for transactions on or after July 1, 2005, amounts of State sales and use tax paid by local school administrative units are non refundable.

††includes The University of North Carolina Health Care System related refunds. Refunds reflect accounts undergoing financial activity update during the designated fiscal year and reflect actual payments to taxpayers (amounts exclude any approved refundable amounts credited to taxpayer accounts to offset future or existing tax liability).

TABLE 35A. SALES AND USE TAX REFUNDS ISSUED TO NONPROFIT ENTITY CLAIMANTS BY SIZE OF ANNUAL REFUND BY FISCAL YEAR

[Refunds are combined State and local taxes and may cover multiple semiannual claims]

Size of Refund: Class interval denotes the sum of all refunds issued to a claimant during a fiscal year	Fiscal year 2008-09					Fiscal year 2009-10					Fiscal year 2010-11					Fiscal year 2011-12					Fiscal year 2012-13				
	Claimants		Refunds issued			Claimants		Refunds issued			Claimants		Refunds issued			Claimants		Refunds issued			Claimants		Refunds issued		
	#	% of total	Amount [\$]	% of total	Avg per claimant [\$]	#	% of total	Amount [\$]	% of total	Avg per claimant [\$]	#	% of total	Amount [\$]	% of total	Avg per claimant [\$]	#	% of total	Amount [\$]	% of total	Avg per claimant [\$]	#	% of total	Amount [\$]	% of total	Avg per claimant [\$]
<=\$2,000	5,517	59.2%	4,118,279	1.2%	746	5,341	60.8%	3,855,710	1.5%	722	4,963	55.9%	3,827,904	0.9%	771	4,873	57.6%	3,690,407	1.2%	757	4,985	58.1%	3,765,814	1.2%	755
\$2,001 - \$4,000	1,364	14.6%	3,878,974	1.2%	2,844	1,294	14.7%	3,661,715	1.5%	2,830	1,365	15.4%	3,862,803	0.9%	2,830	1,329	15.7%	3,780,182	1.3%	2,844	1,376	16.0%	3,922,208	1.2%	2,850
\$4,001 - \$6,000	648	7.0%	3,164,915	0.9%	4,884	593	6.8%	2,890,463	1.1%	4,874	637	7.2%	3,103,894	0.7%	4,873	572	6.8%	2,802,392	0.9%	4,899	592	6.9%	2,917,797	0.9%	4,929
\$6,001 - \$8,000	359	3.9%	2,476,135	0.7%	6,897	311	3.5%	2,154,171	0.9%	6,927	348	3.9%	2,399,942	0.6%	6,896	349	4.1%	2,412,608	0.8%	6,913	291	3.4%	2,007,872	0.6%	6,900
\$8,001 - \$10,000	222	2.4%	1,970,029	0.6%	8,874	207	2.4%	1,848,115	0.7%	8,928	221	2.5%	1,966,639	0.5%	8,899	205	2.4%	1,834,907	0.6%	8,951	218	2.5%	1,950,887	0.6%	8,949
\$10,001 - \$50,000	866	9.3%	18,736,631	5.6%	21,636	754	8.6%	15,561,689	6.2%	20,639	928	10.5%	19,468,534	4.6%	20,979	820	9.7%	17,439,918	5.9%	21,268	788	9.2%	16,586,953	5.1%	21,049
\$50,001 - \$100,000	151	1.6%	10,307,368	3.1%	68,261	129	1.5%	9,016,568	3.6%	69,896	162	1.8%	11,487,919	2.7%	70,913	141	1.7%	9,879,190	3.3%	70,065	138	1.6%	9,738,292	3.0%	70,567
\$100,001 - \$500,000	127	1.4%	24,860,446	7.4%	195,752	104	1.2%	22,558,452	9.0%	216,908	174	2.0%	35,094,463	8.2%	201,692	110	1.3%	23,249,467	7.9%	211,359	133	1.5%	26,035,582	8.0%	195,756
\$500,001 - \$1,000,000	27	0.3%	19,262,005	5.8%	713,408	16	0.2%	11,340,851	4.5%	708,803	26	0.3%	17,682,621	4.1%	680,101	26	0.3%	18,812,226	6.4%	723,547	14	0.2%	10,391,526	3.2%	742,252
\$1,000,001 or more	40	0.4%	245,082,986	73.4%	16,127,075	34	0.4%	178,470,097	71.0%	5,249,120	50	0.6%	327,869,939	76.8%	6,557,399	35	0.4%	211,574,791	71.6%	6,044,994	46	0.5%	248,357,089	76.3%	5,399,067
Total	9,321	100.0%	333,857,768	100.0%	35,818	8,783	100.0%	251,357,831	100.0%	28,619	8,874	100.0%	426,764,659	100.0%	48,092	8,460	100.0%	295,476,088	100.0%	34,926	8,581	100.0%	325,674,019	100.0%	37,953

Size of Refund: Class interval denotes the sum of all refunds issued to a claimant during a fiscal year	Fiscal year 2013-14					Fiscal year 2014-15					Fiscal year 2015-16					Fiscal year 2016-17					Fiscal year 2017-18				
	Claimants		Refunds issued			Claimants		Refunds issued			Claimants		Refunds issued			Claimants		Refunds issued			Claimants		Refunds issued		
	#	% of total	Amount [\$]	% of total	Avg per claimant [\$]	#	% of total	Amount [\$]	% of total	Avg per claimant [\$]	#	% of total	Amount [\$]	% of total	Avg per claimant [\$]	#	% of total	Amount [\$]	% of total	Avg per claimant [\$]	#	% of total	Amount [\$]	% of total	Avg per claimant [\$]
<=\$2,000	4,827	57.5%	3,657,052	0.9%	758	4,446	55.1%	3,435,701	1.1%	773	4,383	54.4%	3,446,394	1.0%	786	4,167	52.6%	3,256,199	0.9%	781	4,011	50.9%	3,172,281	0.8%	791
\$2,001 - \$4,000	1,245	14.8%	3,566,484	0.9%	2,865	1,316	16.3%	3,717,130	1.2%	2,825	1,261	15.7%	3,608,419	1.0%	2,862	1,322	16.7%	3,780,253	1.0%	2,859	1,361	17.3%	3,862,689	1.0%	2,838
\$4,001 - \$6,000	583	6.9%	2,834,798	0.7%	4,862	591	7.3%	2,884,296	0.9%	4,880	613	7.6%	2,983,477	0.9%	4,867	601	7.6%	2,937,749	0.8%	4,888	621	7.9%	3,067,245	0.8%	4,939
\$6,001 - \$8,000	332	4.0%	2,281,641	0.6%	6,872	323	4.0%	2,238,304	0.7%	6,930	335	4.2%	2,313,710	0.7%	6,907	357	4.5%	2,467,022	0.7%	6,910	390	5.0%	2,719,410	0.7%	6,973
\$8,001 - \$10,000	210	2.5%	1,866,945	0.5%	8,890	214	2.7%	1,904,935	0.6%	8,902	226	2.8%	2,018,805	0.6%	8,933	232	2.9%	2,074,810	0.6%	8,943	239	3.0%	2,132,525	0.6%	8,923
\$10,001 - \$50,000	813	9.7%	17,282,943	4.3%	21,258	816	10.1%	17,091,149	5.4%	20,945	862	10.7%	17,961,130	5.1%	20,837	877	11.1%	18,386,475	5.0%	20,965	890	11.3%	18,496,664	5.0%	20,783
\$50,001 - \$100,000	172	2.0%	11,815,625	3.0%	68,695	151	1.9%	10,658,941	3.4%	70,589	150	1.9%	10,471,732	3.0%	69,812	152	1.9%	10,728,541	2.9%	70,583	143	1.8%	9,864,380	2.6%	68,982
\$100,001 - \$500,000	146	1.7%	29,159,246	7.3%	199,721	153	1.9%	33,101,375	10.5%	216,349	154	1.9%	30,169,531	8.6%	195,906	156	2.0%	31,854,229	8.7%	204,194	159	2.0%	33,045,974	8.8%	207,836
\$500,001 - \$1,000,000	23	0.3%	16,363,533	4.1%	711,458	17	0.2%	12,273,999	3.9%	722,000	28	0.3%	19,373,720	5.5%	691,919	18	0.2%	12,610,695	3.4%	700,594	19	0.2%	12,689,715	3.4%	667,880
\$1,000,001 or more	48	0.6%	309,319,351	77.7%	6,444,153	35	0.4%	227,265,640	72.2%	6,493,304	38	0.5%	257,449,379	73.6%	6,774,984	37	0.5%	278,538,252	76.0%	7,528,061	43	0.5%	284,596,266	76.2%	6,618,518
Total	8,399	100.0%	398,147,619	100.0%	47,404	8,062	100.0%	314,571,469	100.0%	39,019	8,050	100.0%	349,796,348	100.0%	43,453	7,919	100.0%	366,634,224	100.0%	46,298	7,876	100.0%	373,647,148	100.0%	47,441

Size of Refund: Class interval denotes the sum of all refunds issued to a claimant during a fiscal year	Fiscal year 2018-19					Fiscal year 2019-20					Fiscal year 2020-21					Fiscal year 2021-22					Fiscal year 2022-23				
	Claimants		Refunds issued			Claimants		Refunds issued			Claimants		Refunds issued			Claimants		Refunds issued			Claimants		Refunds issued		
	#	% of total	Amount [\$]	% of total	Avg per claimant [\$]	#	% of total	Amount [\$]	% of total	Avg per claimant [\$]	#	% of total	Amount [\$]	% of total	Avg per claimant [\$]	#	% of total	Amount [\$]	% of total	Avg per claimant [\$]	#	% of total	Amount [\$]	% of total	Avg per claimant [\$]
<=\$2,000	3,783	46.9%	3,110,940	0.7%	822	3,604	45.7%	2,860,986	0.7%	794	3,652	48.0%	2,835,571	0.6%	776	3,351	45.5%	2,676,808	0.7%	799	3,000	40.7%	2,548,218	0.6%	849
\$2,001 - \$4,000	1,354	16.8%	3,890,219	0.8%	2,873	1,379	17.5%	3,962,237	0.9%	2,873	1,227	16.1%	3,515,060	0.8%	2,865	1,240	16.8%	3,572,742	0.9%	2,881	1,316	17.8%	3,794,259	0.8%	2,883
\$4,001 - \$6,000	710	8.8%	3,502,143	0.8%	4,933	680	8.6%	3,337,477	0.8%	4,908	620	8.1%	3,042,497	0.7%	4,907	624	8.5%	3,069,003	0.8%	4,918	628	8.5%	3,076,307	0.7%	4,899
\$6,001 - \$8,000	419	5.2%	2,903,393	0.6%	6,929	426	5.4%	2,951,644	0.7%	6,929	375	4.9%	2,598,972	0.6%	6,931	395	5.4%	2,720,348	0.7%	6,887	405	5.5%	2,802,390	0.6%	6,919
\$8,001 - \$10,000	297	3.7%	2,665,026	0.6%	8,973	268	3.4%	2,385,550	0.5%	8,901	273	3.6%	2,444,146	0.5%	8,953	255	3.5%	2,274,774	0.6%	8,921	289	3.9%	2,575,222	0.6%	8,911
\$10,001 - \$50,000	1,088	13.5%	23,088,545	5.0%	21,221	1,115	14.1%	23,419,369	5.3%	21,004	1,075	14.1%	22,391,032	5.0%	20,829	1,080	14.7%	22,909,738	5.8%	21,213	1,270	17.2%	26,920,831	6.0%	21,198
\$50,001 - \$100,000	169	2.1%	11,679,681	2.5%	69,111	172	2.2%	12,000,742	2.7%	69,772	170	2.2%	12,145,522	2.7%	71,444	183	2.5%	12,537,410	3.2%	68,510	201	2.7%	14,058,994	3.1%	69,945
\$100,001 - \$500,000	180	2.2%	38,111,421	8.2%	211,730	178	2.3%	35,372,059	8.1%	198,719	147	1.9%	29,573,642	6.5%	201,181	168	2.3%	33,896,314	8.6%	201,764	194	2.6%	40,192,601	8.9%	207,178
\$500,001 - \$1,000,000	23	0.3%	16,850,305	3.6%	732,622	27	0.3%	19,250,123	4.4%	712,968	23	0.3%	15,994,511	3.5%	695,414	30	0.4%	20,450,318	5.2%	681,677	32	0.4%	23,606,126	5.2%	737,691
\$1,000,001 or more	44	0.5%	360,310,987	77.3%	8,188,886	44	0.6%	332,408,133	75.9%	7,554,730	49	0.6%	357,771,205	79.1%	7,301,453	43	0.6%	292,009,604	73.7%	6,790,921	44	0.6%	332,324,223	73.5%	7,552,823
Total	8,067	100.0%	466,112,660	100.0%	57,780	7,893	100.0%	437,948,318	100.0%	55,486	7,611	100.0%	452,312,157	100.0%	59,429	7,369	100.0%	396,117,058	100.0%	53,755	7,379	100.0%	451,899,171	100.0%	61,241

Refunds reflect accounts undergoing financial activity update during the designated fiscal year and reflect actual payments to taxpayers (amounts exclude any approved refundable amounts credited to taxpayer accounts to offset future or existing tax liability).

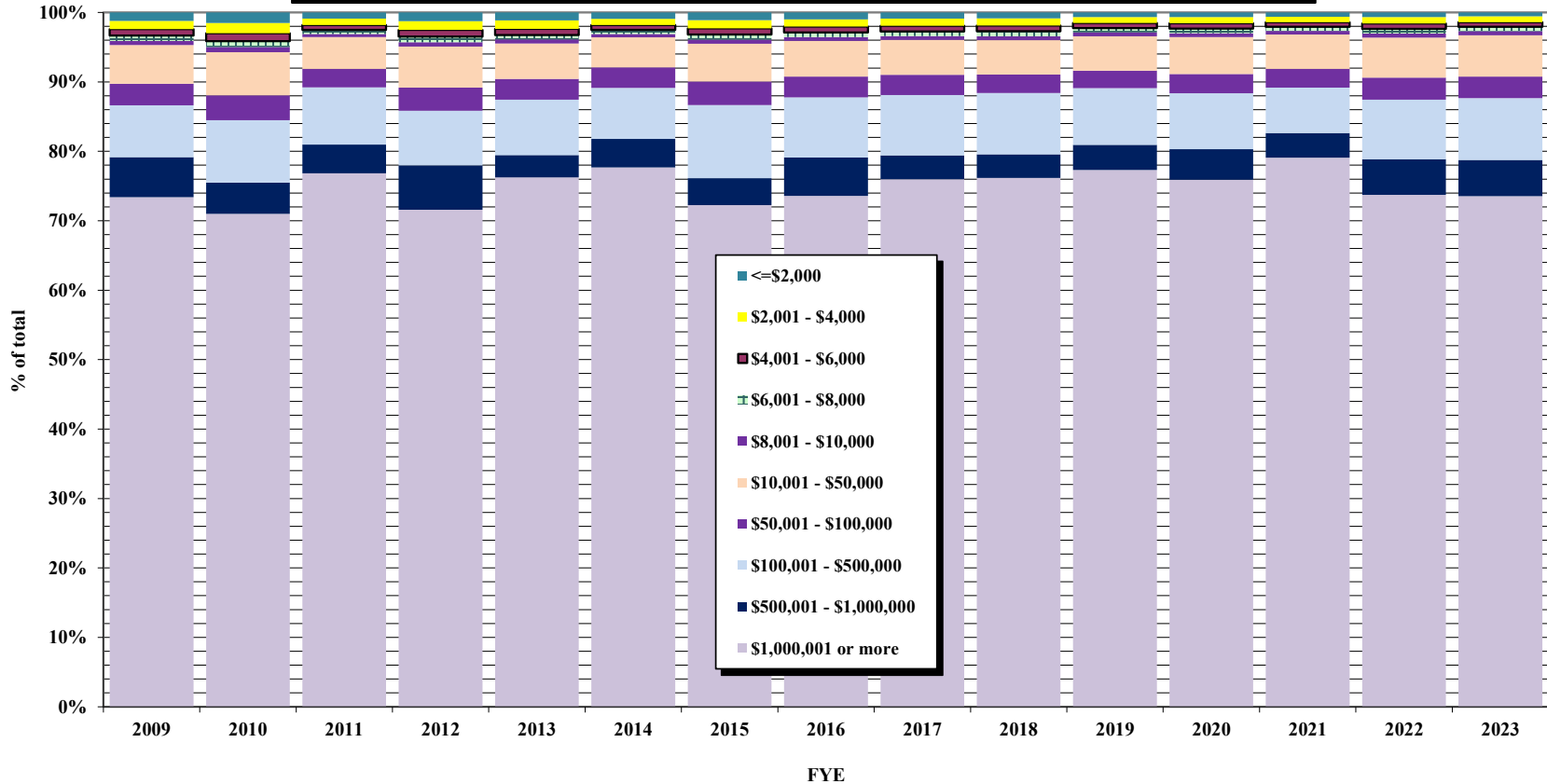
§ 105-164.14(b) provides for semiannual refunds to nonprofit entities of sales and use taxes paid on direct purchases of tangible personal property and certain services for use in conducting their nonprofit operations [sales and use tax liability indirectly incurred by a nonprofit entity either through reimbursement to an authorized person of the entity for the purchase of tangible personal property, or on building materials, supplies, fixtures, and equipment that become a part of or annexed to any building or structure that is owned or leased by the nonprofit entity and is being erected, altered, or repaired for use by the nonprofit entity for carrying on its nonprofit activities is considered a sales or use tax liability incurred on direct purchases by the nonprofit entity].

The following nonprofit entities are allowed a refund under § 105-164.14(b):

- nonprofit hospitals (includes hospitals and medical accommodations operated by an authority or public hospital described in Article 2 of § 131E). [nonprofit and public hospitals are allowed a refund of tax paid on items subject to the general State rate of sales and use tax including over-the-counter drugs; a for-profit hospital may only receive a refund of tax paid on over-the-counter drugs.]
- an organization that is exempt from income tax under section 501(c)(3) of the IRC and is not classified in any of the following major group areas of the National Taxonomy of Exempt Entities: Community Improvement and Capacity Building, Public and Societal Benefit, or Mutual and Membership Benefit.
- certain volunteer fire departments and volunteer EMS squads that are exempt from income tax under the IRC.
- an organization that is a single member LLC that is disregarded for income tax purposes and meets certain conditions.
- a qualified retirement facility whose property is excluded from property tax under § 105-278.6A.
- a university affiliated nonprofit organization that procures, designs, constructs, or provides facilities to, or for use by, a constituent institution of the UNC system.

Number of claimants reflects the number of nonprofit entities to which at least one refund check issuance related financial transaction occurred during the period July 1 through June 30, and does not reflect the number of claims filed. Claims for refund are filed semiannually. The claim for refund of sales and use taxes paid during the first semiannual period (January 1 through June 30) is due to be filed by October 15th of the same year; the claim for refund for the second semiannual period (July 1 through December 31) is due to be filed by April 15th of the following year. Claims for refund may be filed within three (3) years after the due date of the same year. The data in the above tables generally reflect refunds for sales and use taxes paid by nonprofit entities during the calendar year preceding the fiscal year ended (year shown).

Figure 35A.1 Annual Sales and Use Tax Refunds Issued to Nonprofit Entities By Size of Refund By Fiscal Year
 [Refunds include State and local taxes]



Claimants

Figure 35A.2 Number of Sales and Use Tax Nonprofit Refund Claimants by Size of Annual Refund by Fiscal Year

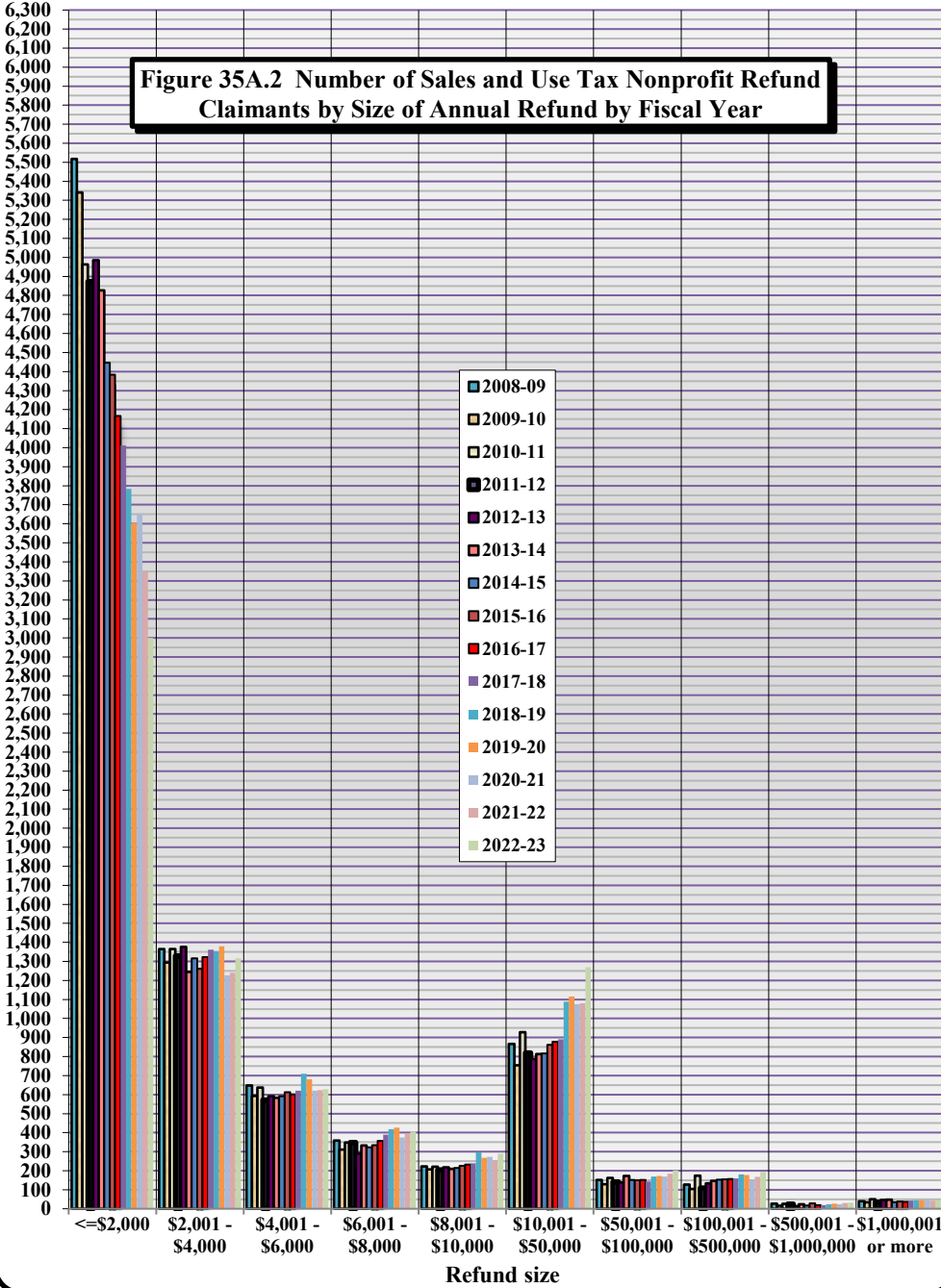


Figure 35A.3 Annual Sales and Use Tax Refunds Issued to Nonprofit Entity Claimants by Size of Refund for Fiscal Year 2022-23

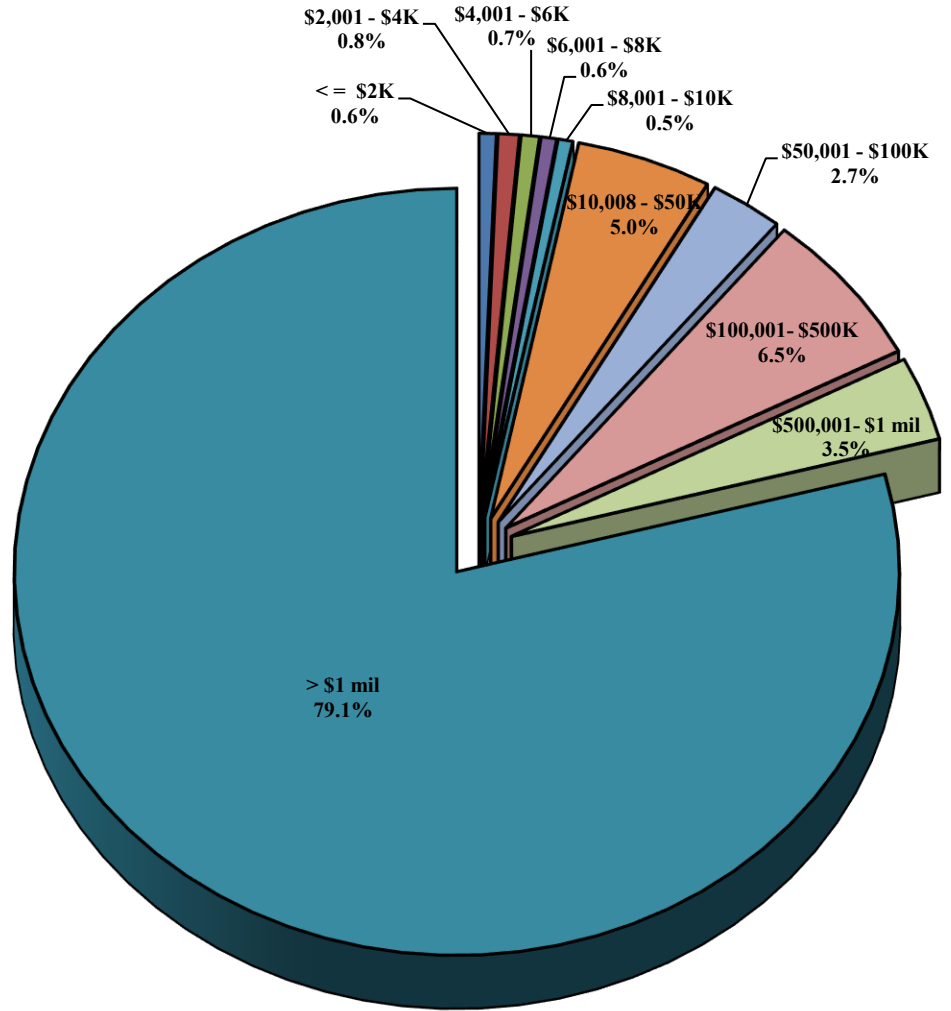


TABLE 35B. SALES AND USE TAX REFUNDS ISSUED TO NONPROFIT ENTITY CLAIMANTS: ANNUAL REFUNDS OF \$100,001 OR MORE BY TYPE OF CLAIMANT BY FISCAL YEAR

[Refunds are combined State and local taxes and may cover multiple semiannual claims]

Nonprofit Entity Type	Fiscal year 2008-09				Fiscal year 2009-10				Fiscal year 2010-11				Fiscal year 2011-12				Fiscal year 2012-13			
	Claimants		Refunds issued		Claimants		Refunds issued		Claimants		Refunds issued		Claimants		Refunds issued		Claimants		Refunds issued	
	#	% of total	Amount [\$]	% of total	#	% of total	Amount [\$]	% of total	#	% of total	Amount [\$]	% of total	#	% of total	Amount [\$]	% of total	#	% of total	Amount [\$]	% of total
Hospitals and medical accommodations	83	42.8%	231,074,534	79.9%	73	47.4%	159,758,501	75.2%	93	37.2%	309,194,643	81.2%	73	42.7%	204,976,725	80.8%	70	36.3%	227,175,164	79.8%
Educational institutions:																				
Collegiate institutions	28	14.4%	38,265,853	13.2%	20	13.0%	37,144,579	17.5%	33	13.2%	41,731,906	11.0%	20	11.7%	28,415,744	11.2%	26	13.5%	34,362,285	12.1%
Elementary, secondary institutions	16	8.2%	2,478,955	0.9%	7	4.5%	1,011,316	0.5%	15	6.0%	3,009,623	0.8%	9	5.3%	1,815,019	0.7%	11	5.7%	1,637,245	0.6%
Churches and other religious institutions	15	7.7%	2,615,262	0.9%	17	11.0%	2,987,854	1.4%	26	10.4%	4,446,191	1.2%	15	8.8%	2,999,676	1.2%	16	8.3%	2,451,570	0.9%
Charitable and other institutions	34	17.5%	10,446,998	3.6%	26	16.9%	9,340,656	4.4%	56	22.4%	15,526,401	4.1%	36	21.1%	11,044,840	4.4%	39	20.2%	12,533,486	4.4%
Retirement/convalescent facilities (includes adult care and skilled nursing facilities)	18	9.3%	4,323,835	1.5%	11	7.1%	2,126,495	1.0%	27	10.8%	6,738,258	1.8%	18	10.5%	4,384,480	1.7%	31	16.1%	6,624,447	2.3%
Total	194	100.0%	289,205,437	100.0%	154	100.0%	212,369,400	100.0%	250	100.0%	380,647,023	100.0%	171	100.0%	253,636,484	100.0%	193	100.0%	284,784,197	100.0%

Nonprofit Entity Type	Fiscal year 2013-14				Fiscal year 2014-15				Fiscal year 2015-16				Fiscal year 2016-17				Fiscal year 2017-18			
	Claimants		Refunds issued		Claimants		Refunds issued		Claimants		Refunds issued		Claimants		Refunds issued		Claimants		Refunds issued	
	#	% of total	Amount [\$]	% of total	#	% of total	Amount [\$]	% of total	#	% of total	Amount [\$]	% of total	#	% of total	Amount [\$]	% of total	#	% of total	Amount [\$]	% of total
Hospitals and medical accommodations	73	33.6%	283,661,255	79.9%	79	38.5%	213,241,196	78.2%	75	34.1%	240,831,871	78.4%	68	32.2%	252,111,495	78.1%	70	31.7%	260,485,246	78.9%
Educational institutions:																				
Collegiate institutions	29	13.4%	40,791,372	11.5%	24	11.7%	37,308,093	13.7%	36	16.4%	42,303,844	13.8%	29	13.7%	45,649,882	14.1%	29	13.1%	32,886,962	10.0%
Elementary, secondary institutions	18	8.3%	3,444,289	1.0%	14	6.8%	2,671,591	1.0%	19	8.6%	3,111,354	1.0%	22	10.4%	3,816,994	1.2%	23	10.4%	4,362,189	1.3%
Churches and other religious institutions	22	10.1%	4,288,508	1.2%	19	9.3%	3,442,025	1.3%	20	9.1%	3,524,851	1.1%	23	10.9%	4,848,798	1.5%	25	11.3%	5,623,909	1.7%
Charitable and other institutions	44	20.3%	14,978,901	4.2%	38	18.5%	9,815,460	3.6%	43	19.5%	11,094,052	3.6%	43	20.4%	10,112,469	3.1%	51	23.1%	19,664,972	6.0%
Retirement/convalescent facilities (includes adult care and skilled nursing facilities)	31	14.3%	7,677,806	2.2%	31	15.1%	6,162,648	2.3%	27	12.3%	6,126,659	2.0%	26	12.3%	6,463,539	2.0%	23	10.4%	7,308,677	2.2%
Total	217	100.0%	354,842,131	100.0%	205	100.0%	272,641,014	100.0%	220	100.0%	306,992,630	100.0%	211	100.0%	323,003,176	100.0%	221	100.0%	330,331,955	100.0%

Nonprofit Entity Type	Fiscal year 2018-19				Fiscal year 2019-20				Fiscal year 2020-21				Fiscal year 2021-22				Fiscal year 2022-23			
	Claimants		Refunds issued		Claimants		Refunds issued		Claimants		Refunds issued		Claimants		Refunds issued		Claimants		Refunds issued	
	#	% of total	Amount [\$]	% of total	#	% of total	Amount [\$]	% of total	#	% of total	Amount [\$]	% of total	#	% of total	Amount [\$]	% of total	#	% of total	Amount [\$]	% of total
Hospitals and medical accommodations	80	32.4%	303,340,300	73.0%	72	28.9%	293,892,769	75.9%	72	32.9%	323,103,187	80.1%	75	31.1%	266,345,007	76.9%	75	27.8%	295,302,404	74.5%
Educational institutions:																				
Collegiate institutions	31	12.6%	69,911,588	16.8%	32	12.9%	53,570,680	13.8%	26	11.9%	39,751,955	9.9%	28	11.6%	39,665,136	11.5%	30	11.1%	47,202,854	11.9%
Elementary, secondary institutions	24	9.7%	5,855,418	1.4%	32	12.9%	6,520,559	1.7%	21	9.6%	4,268,189	1.1%	27	11.2%	5,158,306	1.5%	36	13.3%	7,686,187	1.9%
Churches and other religious institutions	21	8.5%	4,768,822	1.1%	26	10.4%	5,368,363	1.4%	19	8.7%	4,426,805	1.1%	21	8.7%	4,955,213	1.4%	26	9.6%	6,142,116	1.6%
Charitable and other institutions	58	23.5%	21,124,937	5.1%	63	25.3%	19,561,023	5.1%	52	23.7%	20,612,313	5.1%	62	25.7%	17,882,604	5.2%	71	26.3%	21,597,455	5.5%
Retirement/convalescent facilities (includes adult care and skilled nursing facilities)	33	13.4%	10,271,648	2.5%	24	9.6%	8,116,921	2.1%	29	13.2%	11,176,908	2.8%	28	11.6%	12,349,968	3.6%	32	11.9%	18,191,933	4.6%
Total	247	100.0%	415,272,713	100.0%	249	100.0%	387,030,314	100.0%	219	100.0%	403,339,358	100.0%	241	100.0%	346,356,235	100.0%	270	100.0%	396,122,950	100.0%

Refunds reflect accounts undergoing financial activity update during the designated fiscal year and reflect actual payments to taxpayers (amounts exclude any approved refundable amounts credited to taxpayer accounts to offset future or existing tax liability).

§ 105-164.14(b) provides for semiannual refunds to nonprofit entities of sales and use taxes paid on direct purchases of tangible personal property and certain services for use in conducting their nonprofit operations [sales and use tax liability indirectly incurred by a nonprofit entity either through reimbursement to an authorized person of the entity for the purchase of tangible personal property, or on building materials, supplies, fixtures, and equipment that become a part of or annexed to any building or structure that is owned or leased by the nonprofit entity and is being erected, altered, or repaired for use by the nonprofit entity for carrying on its nonprofit activities is considered a sales or use tax liability incurred on direct purchases by the nonprofit entity].

SL 2013-316, s. 3.4.(b) provides that the aggregate annual refund of State sales and use tax allowed an entity under this subsection for the State's fiscal year may not exceed \$31,700,000 and that the aggregate annual refund of local sales and use tax allowed an entity under this subsection for the State's fiscal year may not exceed \$13,300,000 (effective July 1, 2014 and applies to purchases made on or after that date).

Refunds do not include sales tax paid on taxable sales made by nonprofit organizations and institutions. Refunds allowed under this section do not apply to purchases of electricity, telecommunications service, ancillary service, piped natural gas, video programming, or a prepaid meal plan.

The following nonprofit entities are allowed a refund under § 105-164.14(b):

- nonprofit hospitals (includes hospitals and medical accommodations operated by an authority or public hospital described in Article 2 of § 131E).
[nonprofit and public hospitals are allowed a refund of tax paid on items subject to the general State rate of sales and use tax including over-the-counter drugs; a for-profit hospital may only receive a refund of tax paid on over-the-counter drugs.]
- an organization that is exempt from income tax under section 501(c)(3) of the IRC and is not classified in any of the following major group areas of the National Taxonomy of Exempt Entities: Community Improvement and Capacity Building, Public and Societal Benefit, or Mutual and Membership Benefit.
- certain volunteer fire departments and volunteer EMS squads that are exempt from income tax under the IRC.
- an organization that is a single member LLC that is disregarded for income tax purposes and meets certain conditions.
- a qualified retirement facility whose property is excluded from property tax under § 105-278.6A.
- a university affiliated nonprofit organization that procures, designs, constructs, or provides facilities to, or for use by, a constituent institution of the UNC system.

Number of claimants reflects the number of nonprofit entities to which at least one refund check issuance related financial transaction occurred during the period July 1 through June 30, and does not reflect the number of claims filed. Claims for refund are filed semiannually. The claim for refund of sales and use taxes paid during the first semiannual period (January 1 through June 30) is due to be filed by October 15th of the same year; the claim for refund for the second semiannual period (July 1 through December 31) is due to be filed by April 15th of the following year. Claims for refund may be filed within three (3) years after the due date of the same year; The data in the above tables generally reflect refunds for sales and use taxes paid by nonprofit entities during the calendar year preceding the fiscal year ended (year shown).

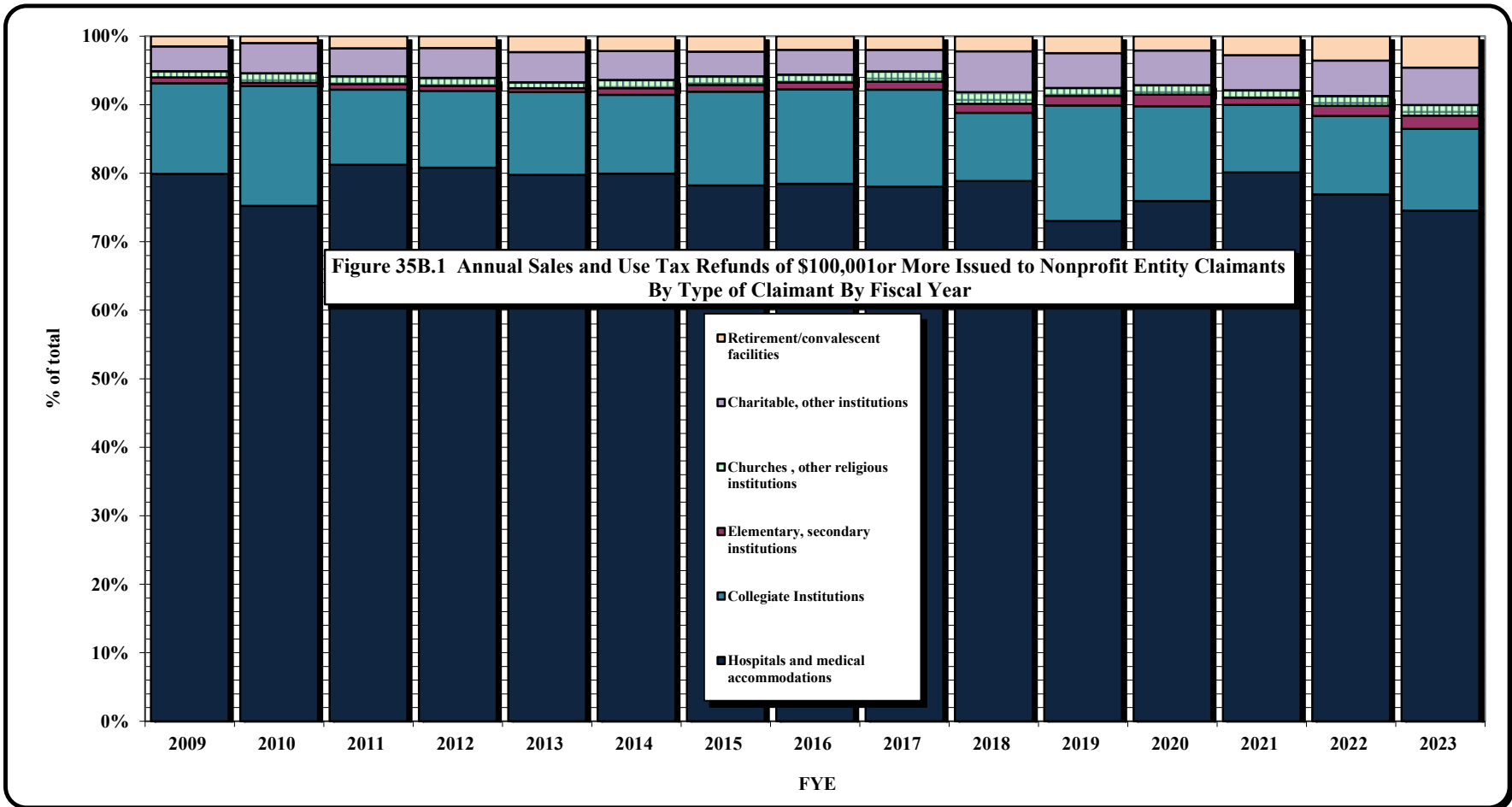


Figure 35B.2 Fifteen-Year Trend in Annual Sales and Use Tax Refunds of \$100,001 or More Issued to Nonprofit Entity Claimants

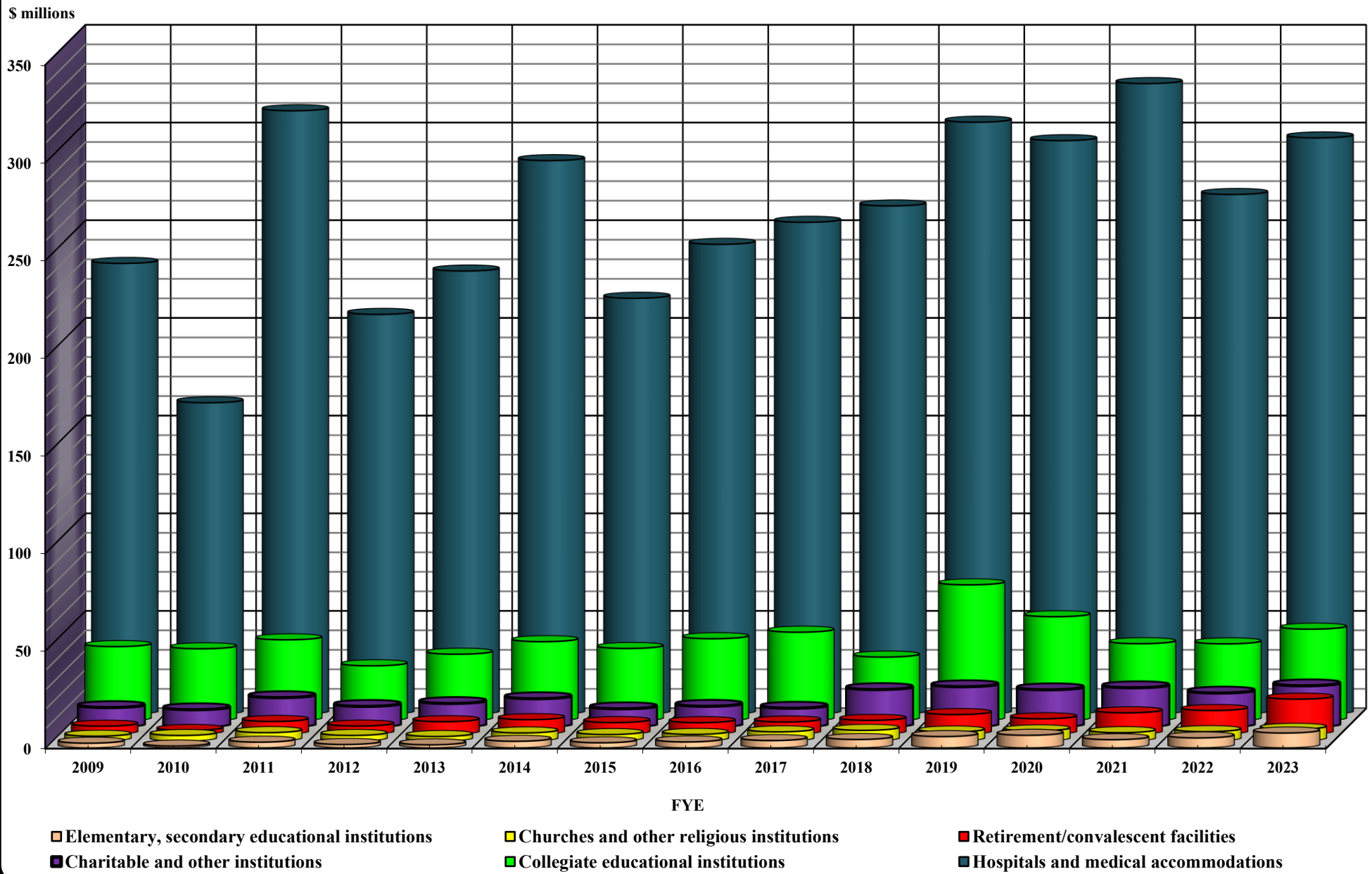


TABLE 36A. STATE SALES AND USE TAX: GROSS COLLECTIONS BY COUNTY
[§ 105 ARTICLE 5.]

[Beginning with fiscal year 2009-2010, county collection amounts are calculations of State taxes, as allocated to counties by gross collections of local taxes subject to the general State sales and use tax rate plus any tax collections generated from preferential State sales and use tax rates that are sourced to a specific county.]
Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of the receipt of certain tax collections from fiscal year 2019-2020 to fiscal year 2020-2021.

County	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]
Alamance.....	63,345,711	72,468,772	87,130,259	80,129,204	79,297,311	86,702,084	95,257,250	104,182,594	109,931,948	114,944,276	122,464,230	123,250,473	149,480,911	163,622,865	169,831,793
Alexander.....	4,569,335	6,894,419	7,914,559	7,328,458	7,213,980	7,241,734	7,621,510	8,242,513	8,907,291	9,435,745	10,217,502	11,259,393	14,308,365	15,587,980	16,631,116
Alleghany.....	2,677,284	3,065,480	3,606,691	3,034,972	2,796,068	2,936,061	3,127,545	3,207,631	3,490,150	3,627,843	3,977,469	4,364,882	5,486,500	5,992,033	7,169,035
Anson.....	4,234,503	5,369,926	6,071,275	5,343,199	5,299,743	5,747,863	5,853,130	6,446,240	6,963,561	7,055,507	7,455,530	7,638,563	8,967,498	9,818,006	10,539,993
Ashe.....	7,233,071	9,089,088	10,343,859	9,080,953	8,613,542	8,870,746	9,660,485	10,905,296	12,091,477	12,428,987	13,777,733	14,788,673	17,876,731	18,962,460	21,311,883
Avery.....	6,839,914	9,222,246	10,327,786	8,652,699	8,604,015	9,188,176	10,115,055	10,811,333	11,866,454	12,763,506	14,550,397	15,615,756	20,754,561	23,608,921	25,023,776
Beaufort.....	15,532,098	19,498,406	21,267,497	19,527,422	18,182,982	17,723,570	20,585,164	20,671,918	21,414,315	22,027,127	25,094,284	25,243,389	29,709,982	33,654,647	35,904,811
Bertie.....	1,628,483	3,130,749	3,540,433	3,119,783	3,322,319	3,441,458	3,773,829	3,865,378	4,052,515	4,401,156	4,109,257	4,371,699	5,586,054	6,150,750	6,589,458
Bladen.....	5,166,216	8,408,377	9,469,640	8,559,610	8,688,531	8,836,106	9,000,694	9,256,620	10,080,681	10,735,923	10,517,949	10,598,505	12,987,662	13,293,962	15,118,216
Brunswick.....	39,937,385	49,671,793	57,091,079	51,627,554	53,969,058	58,108,909	64,008,135	68,933,918	76,988,960	81,990,963	89,997,638	95,410,243	121,624,135	146,064,864	162,473,142
Buncombe.....	132,558,499	156,991,513	180,256,585	160,858,195	173,771,437	181,363,146	205,442,346	224,314,403	244,853,027	259,359,218	274,487,529	261,974,647	293,808,116	348,469,959	367,086,040
Burke.....	18,728,568	24,917,392	28,454,621	24,630,412	25,407,897	26,969,321	28,763,557	30,961,281	32,398,980	33,930,871	36,779,907	37,706,380	46,385,663	51,322,335	54,546,058
Cabarrus.....	80,607,883	107,152,835	118,663,086	111,461,667	116,383,791	123,405,145	135,318,637	147,496,641	160,346,789	165,040,522	175,654,101	172,631,079	207,462,602	234,710,055	258,325,199
Caldwell.....	19,343,683	23,232,995	25,766,702	23,455,504	22,348,659	23,547,909	26,680,753	27,253,250	27,105,754	27,816,218	30,301,015	31,969,726	38,637,151	42,164,638	45,950,610
Camden.....	1,432,573	2,439,702	3,003,630	2,456,555	2,378,786	2,302,563	2,276,736	2,588,423	2,399,079	2,499,712	2,649,419	3,084,761	3,944,294	4,418,485	4,966,422
Carteret.....	35,025,734	42,015,384	46,625,761	42,272,414	40,830,995	43,200,872	46,533,262	49,552,351	53,150,812	56,116,308	63,778,058	63,267,398	76,233,543	85,545,472	90,845,302
Caswell.....	1,331,018	2,321,666	2,872,974	2,835,167	2,437,182	2,544,020	2,798,326	2,819,956	3,018,330	3,517,701	3,527,998	3,673,803	4,743,220	5,442,204	6,071,760
Catawba.....	72,811,513	88,351,941	98,533,897	85,176,034	82,998,286	85,866,680	93,175,390	100,524,175	109,918,094	112,502,474	117,295,800	118,163,725	136,919,010	155,024,764	166,518,274
Chatham.....	12,719,286	18,218,305	20,950,706	18,265,836	18,774,696	20,234,969	22,742,788	25,770,178	27,695,060	28,797,489	31,173,766	34,904,077	44,834,184	53,895,104	61,511,407
Cherokee.....	10,748,314	11,325,000	12,403,493	10,692,840	10,294,061	10,522,166	11,532,807	12,409,144	13,874,849	14,866,529	16,043,001	16,712,837	21,213,489	23,920,046	25,142,645
Chowan.....	3,120,013	4,808,715	5,400,857	4,744,508	4,650,868	4,861,841	4,953,421	5,580,185	5,846,652	6,030,538	6,542,808	6,657,371	7,973,418	9,145,534	9,625,563
Clay.....	2,120,799	2,989,700	3,212,876	2,827,691	2,761,502	3,096,452	3,159,948	3,348,111	3,271,372	3,596,231	4,014,519	4,649,619	6,101,131	6,882,439	7,253,251
Cleveland.....	28,804,533	31,289,268	37,479,296	34,227,462	33,827,465	33,444,389	38,185,054	38,815,664	44,399,933	49,024,835	49,592,261	47,424,947	57,133,393	64,264,907	70,948,120
Columbus.....	13,535,574	16,154,807	17,837,238	15,369,103	15,806,065	16,588,966	16,224,667	16,929,125	18,620,911	19,458,156	20,286,988	20,420,551	24,787,389	26,345,838	28,245,573
Craven.....	35,637,218	44,659,260	47,030,427	43,067,062	40,937,067	40,796,555	43,699,947	47,113,908	50,026,910	51,241,292	59,868,061	59,944,294	69,536,813	76,945,339	82,371,814
Cumberland.....	125,336,722	172,926,317	194,690,682	171,394,977	169,552,847	167,238,011	176,105,728	183,530,396	192,711,533	192,897,696	205,820,272	206,311,188	249,435,628	273,572,274	291,346,869
Currituck.....	9,908,895	15,813,782	19,180,930	18,508,365	18,862,555	19,091,309	19,807,211	20,909,324	22,485,196	24,552,403	25,604,944	27,056,343	35,981,081	40,376,695	43,146,280
Dare.....	50,866,855	52,554,877	63,416,314	56,770,905	56,720,164	57,830,610	60,926,951	64,379,053	70,661,477	73,855,485	76,117,049	74,291,149	97,843,107	109,982,734	113,722,770
Davidson.....	37,863,062	43,283,985	48,381,914	43,746,219	42,680,654	44,215,974	50,762,796	55,614,701	60,077,560	61,407,118	68,261,350	73,702,326	87,338,192	97,148,755	108,104,288
Davie.....	9,145,567	11,147,143	11,988,647	10,679,987	12,249,040	13,320,737	13,649,524	14,275,680	15,668,026	15,531,282	17,660,604	19,066,825	22,946,859	24,739,612	27,851,665
Duplin.....	10,754,083	14,267,834	16,449,812	14,988,559	15,681,485	15,788,343	16,086,688	17,289,246	19,068,566	18,804,856	21,444,902	21,451,543	25,177,042	27,174,090	28,961,082
Durham.....	160,546,492	214,526,124	239,871,532	215,264,465	234,204,186	262,026,510	290,375,336	307,516,702	327,695,905	342,566,859	370,048,115	372,079,516	410,220,031	479,758,607	507,283,064
Edgecombe.....	12,798,331	14,806,990	17,170,224	15,675,310	14,113,322	15,183,082	15,284,080	15,640,276	16,804,379	17,039,765	20,514,846	30,714,140	29,216,646	27,254,693	27,462,320
Forsyth.....	169,183,612	198,912,776	226,207,719	200,483,665	195,551,288	199,500,835	217,182,155	234,532,904	255,416,903	255,997,375	273,667,233	272,926,310	332,152,488	374,579,773	396,149,547
Franklin.....	11,400,686	12,566,613	13,884,105	12,877,245	13,083,390	13,799,013	15,366,996	16,980,714	18,726,895	19,808,493	21,424,958	23,796,979	31,180,080	36,108,214	40,085,160
Gaston.....	62,094,275	76,408,539	85,424,289	78,961,861	75,622,149	78,014,281	85,624,816	92,604,260	100,306,301	103,863,209	116,728,638	125,439,811	150,043,336	172,694,098	189,615,670
Gates.....	686,390	1,197,645	1,320,173	1,187,862	1,276,286	1,360,668	1,455,209	1,550,214	1,702,271	1,752,354	1,856,694	2,084,146	2,746,332	2,841,589	2,878,658
Graham.....	1,700,467	2,235,352	2,503,881	2,369,748	2,501,629	2,441,464	2,471,669	2,724,302	3,302,190	3,277,814	3,461,054	3,916,972	5,002,428	5,681,483	5,631,097
Granville.....	9,146,481	12,436,440	13,564,336	12,068,434	12,272,074	12,913,704	14,520,330	15,155,707	16,749,085	16,693,993	17,899,693	19,255,567	22,784,983	24,954,090	27,449,076
Greene.....	1,693,999	2,549,839	2,926,179	2,791,521	2,566,384	2,689,506	2,898,266	3,089,392	3,047,168	3,217,710	3,534,390	4,098,122	4,938,845	5,331,768	5,805,266
Guilford.....	247,202,241	268,141,163	308,198,372	273,902,247	268,772,321	279,643,841	307,228,121	319,588,676	350,458,005	354,025,588	377,948,102	372,523,934	416,143,275	480,574,396	517,538,767
Halifax.....	15,117,952	19,354,892	21,175,911	19,660,364	19,420,364	20,102,529	21,457,464	21,892,455	23,465,340	24,551,560	27,540,051	25,080,494	29,406,957	31,417,413	33,683,437
Harnett.....	20,766,478	27,066,668	30,589,634	27,115,962	27,700,737	29,113,949	33,689,881	37,402,588	41,159,323	43,307,067	46,144,877	50,501,992	62,986,958	70,085,824	77,124,580
Haywood.....	21,663,242	27,483,338	29,879,599	26,321,784	26,887,770	27,152,454	30,180,126	31,895,038	33,794,395	34,787,116	37,124,969	39,246,049	48,046,278	53,526,117	57,811,439
Henderson.....	34,421,875	41,007,386	45,507,802	39,196,946	42,236,310	43,290,072	47,275,901	52,473,471	57,447,949	60,301,491	64,083,222	65,888,842	78,722,618	92,949,256	100,917,256
Hertford.....	6,980,336	8,359,522	10,144,126	9,487,602	9,211,660	9,512,154	9,783,091	9,887,453	10,262,833	10,603,013	10,945,117	11,515,663	12,612,335	13,122,140	13,837,605
Hoke.....	3,095,954	5,935,241	7,830,020	6,692,677	7,778,503	7,695,135	7,986,918	8,382,562	9,006,758	10,166,210	10,342,297	11,612,794	15,570,542	16,870,826	18,226,647
Hyde.....	1,936,571	2,532,015	2,958,819	2,595,693	2,424,973	2,600,518	2,677,809	2,828,831	2,911,602	2,898,857	3,153,205	2,947,753	3,854,630	4,392,974	4,468,116
Iredell.....	67,277,594	78,454,289	88,918,100	84,399,781	80,701,571	85,034,520	94,512,314	100,025,939	108,840,847	111,674,189	120,977,193	129,324,039	155,643,074	175,306,592	192,077,804
Jackson.....	13,605,381	17,040,247	18,411,366	16,414,156	16,248,961	17,553,693									

TABLE 36A. - Continued

County	2008-2009 [S]	2009-2010 [S]	2010-2011 [S]	2011-2012 [S]	2012-2013 [S]	2013-2014 [S]	2014-2015 [S]	2015-2016 [S]	2016-2017 [S]	2017-2018 [S]	2018-2019 [S]	2019-2020 [S]	2020-2021 [S]	2021-2022 [S]	2022-2023 [S]
Johnston.....	45,422,116	59,696,544	66,545,921	59,402,423	60,488,846	63,095,637	68,991,093	73,555,615	82,614,182	87,255,600	98,241,077	99,478,690	118,433,755	139,296,348	147,056,752
Jones.....	1,046,774	1,571,979	1,668,118	1,586,495	1,362,937	1,402,439	1,370,014	1,413,005	1,934,157	2,209,212	2,626,897	2,521,562	3,127,750	3,268,541	3,444,666
Lee.....	22,120,394	26,434,853	31,789,057	29,149,124	28,419,972	28,319,034	29,978,214	33,076,429	36,460,827	37,470,322	39,905,747	41,076,849	50,381,167	55,567,524	59,876,573
Lenoir.....	20,265,481	24,644,344	26,655,895	23,873,455	22,675,941	22,981,715	22,945,276	24,103,856	25,727,798	26,748,705	28,774,914	29,099,416	33,221,564	35,563,023	36,997,099
Lincoln.....	19,164,309	23,632,278	25,812,033	22,928,755	22,842,380	24,821,290	27,873,756	30,204,280	35,299,468	37,076,566	43,378,801	48,168,301	59,826,276	67,104,406	72,005,185
Macon.....	16,358,067	18,542,044	20,248,726	17,780,370	18,186,261	18,699,861	19,999,834	21,221,372	23,965,508	25,053,722	26,595,070	27,258,212	34,498,708	40,415,449	45,573,759
Madison.....	2,432,855	3,718,906	4,104,297	3,673,912	3,769,894	3,841,138	4,081,372	4,577,223	5,005,682	5,273,244	5,739,697	6,467,177	9,147,713	10,527,434	11,759,442
Martin.....	7,276,027	9,329,528	10,159,410	9,409,005	8,726,181	8,723,395	8,970,941	9,014,834	9,460,051	9,623,310	10,069,953	10,138,993	12,187,967	12,268,243	13,358,315
McDowell.....	10,429,398	12,967,091	14,335,986	13,686,522	12,942,460	13,907,113	14,610,500	15,188,101	16,638,989	16,753,830	18,880,627	20,153,654	23,851,203	25,779,943	27,378,530
Mecklenburg.....	550,288,760	707,544,808	789,192,453	721,621,322	743,280,463	783,023,737	871,559,286	935,879,686	1,013,529,923	1,057,219,436	1,133,835,318	1,131,060,326	1,242,964,979	1,476,834,728	1,623,300,370
Mitchell.....	5,223,211	6,224,688	7,048,236	6,334,977	5,840,193	6,057,546	6,075,045	6,198,124	6,636,205	6,943,169	7,078,183	7,130,935	8,246,504	9,138,859	10,155,901
Montgomery.....	4,604,151	6,433,249	6,837,565	6,057,732	6,380,488	6,552,013	7,189,036	7,749,842	8,057,972	9,156,640	10,311,612	10,656,730	12,527,339	14,200,328	14,565,365
Moore.....	32,756,401	45,166,852	51,431,463	44,999,713	45,381,145	47,768,139	51,235,579	54,213,173	59,391,709	60,283,158	65,393,538	70,951,985	87,143,489	101,568,797	108,712,668
Nash.....	36,085,093	46,208,584	49,904,643	43,822,370	41,621,626	41,772,877	43,951,352	47,129,856	49,953,237	51,985,463	54,241,761	52,815,297	62,166,022	72,040,734	81,390,292
New Hanover.....	113,430,216	138,519,908	164,092,581	153,562,657	155,186,654	161,173,285	178,907,360	192,126,730	209,055,147	213,551,959	241,850,475	239,390,036	273,361,638	317,824,767	341,357,324
Northampton.....	1,579,325	3,106,994	3,570,322	3,173,697	3,775,487	3,495,064	3,669,086	4,384,107	4,331,880	5,294,317	5,645,958	5,368,545	6,872,881	6,669,202	7,700,680
Onslow.....	57,345,342	80,342,087	94,375,478	88,148,100	89,301,303	87,989,239	89,392,491	89,864,358	94,385,519	97,357,284	113,388,467	115,430,613	140,924,693	154,189,755	163,715,088
Orange.....	41,048,034	52,498,270	58,800,994	51,537,066	56,136,378	67,839,572	70,465,534	74,763,224	82,256,872	84,256,048	91,735,114	93,342,517	102,373,664	118,296,092	132,731,445
Pamlico.....	2,785,640	3,185,680	3,909,809	3,164,229	3,105,126	3,310,366	3,623,939	3,848,335	4,182,812	4,356,587	4,904,884	4,885,979	6,035,915	6,732,828	7,255,731
Pasquotank.....	16,178,950	19,290,971	21,161,267	19,123,519	20,833,041	18,184,638	19,293,923	21,571,602	22,739,496	22,680,453	25,108,763	26,825,029	32,151,703	34,682,900	36,962,266
Perquimans.....	9,548,428	12,659,920	15,179,600	13,995,973	14,047,582	14,937,353	17,138,422	19,248,852	21,703,430	23,249,669	26,384,685	27,785,427	35,820,697	41,590,378	45,570,444
Pender.....	1,600,048	2,187,504	2,383,814	2,063,349	2,238,662	2,414,230	2,553,004	2,901,530	3,283,044	2,838,186	3,075,086	3,637,569	4,658,922	5,069,818	5,231,893
Person.....	11,038,661	12,634,224	13,926,639	12,841,580	12,127,854	12,846,891	13,441,779	14,103,846	14,859,432	15,910,335	17,142,285	16,954,886	20,260,876	22,705,864	24,554,890
Pitt.....	61,800,887	87,659,155	101,001,267	88,119,787	87,872,038	88,171,892	96,301,772	102,218,549	110,989,308	112,320,959	117,124,876	121,606,337	139,582,863	153,755,367	164,235,444
Polk.....	2,845,367	4,172,637	4,537,607	4,046,317	4,013,336	4,599,898	5,477,504	5,854,214	6,380,258	7,027,755	8,657,009	7,632,200	10,154,246	11,630,650	12,523,552
Randolph.....	32,683,137	40,473,266	48,254,281	41,952,821	41,068,771	41,852,277	44,486,452	49,654,911	54,553,617	55,435,317	58,864,206	61,273,053	72,937,256	82,857,288	97,277,265
Richmond.....	11,464,303	15,234,467	16,786,222	15,384,781	14,119,346	13,735,576	15,938,801	17,042,125	18,192,012	18,307,163	19,262,062	19,670,464	23,931,309	24,925,051	26,880,679
Robeson.....	31,198,421	39,922,251	45,055,895	40,607,829	40,225,020	40,842,724	44,132,288	47,689,084	50,444,018	50,183,324	54,764,340	54,104,521	65,805,969	67,611,184	73,107,066
Rockingham.....	21,551,522	28,003,866	31,688,628	28,291,024	26,640,019	26,725,744	28,658,775	29,719,054	31,906,656	31,854,619	35,515,911	37,235,603	45,225,318	54,010,996	60,064,517
Rowan.....	32,553,485	43,521,701	53,101,072	47,412,209	44,880,014	47,903,663	52,464,176	55,758,893	61,198,378	61,928,373	69,856,492	71,108,071	81,762,789	94,419,433	105,931,959
Rutherford.....	16,666,724	24,149,621	26,193,005	25,705,929	21,457,595	21,512,133	21,882,916	24,778,657	29,004,461	27,249,454	31,362,374	31,926,718	38,746,418	42,597,983	44,930,610
Sampson.....	12,278,815	17,825,671	20,269,931	18,245,385	17,576,839	18,153,285	19,770,048	21,753,001	22,727,891	22,280,269	23,906,848	24,821,396	29,104,521	31,640,365	35,281,918
Scotland.....	10,795,475	13,103,546	13,525,821	11,612,451	11,011,864	11,428,770	12,006,773	12,728,664	14,098,539	15,231,951	15,381,416	15,245,896	19,012,308	20,278,996	20,783,977
Stanly.....	19,549,502	21,678,562	23,997,375	20,781,891	21,221,622	20,924,017	22,275,838	24,580,972	26,814,176	27,826,430	30,744,212	34,718,929	42,043,365	48,198,793	51,184,571
Stokes.....	5,545,627	7,611,251	8,630,177	7,550,349	7,789,310	7,993,779	8,389,237	9,775,396	10,774,330	11,782,870	12,338,575	13,503,300	16,244,044	18,080,661	19,904,910
Surry.....	27,853,497	36,411,056	40,344,276	34,358,847	34,555,562	35,291,172	37,251,197	39,562,242	42,385,328	42,426,027	45,173,093	46,824,169	54,508,014	61,151,989	65,294,220
Swain.....	3,373,578	4,908,865	5,171,307	4,542,309	4,329,227	4,496,817	5,036,135	5,907,249	6,577,611	6,859,902	6,894,685	7,740,581	10,317,073	11,599,175	12,330,626
Transylvania.....	10,772,645	11,939,416	13,230,283	11,317,038	11,957,430	12,136,605	13,113,279	14,277,505	15,727,098	16,426,164	17,995,536	18,947,084	23,912,634	26,817,865	28,842,475
Tyrrell.....	500,760	815,849	811,650	870,228	872,335	913,131	886,545	1,015,249	1,018,243	1,216,758	1,111,046	1,110,382	1,429,226	1,584,399	1,608,276
Union.....	51,514,516	57,375,707	64,775,797	58,227,999	63,012,999	69,678,910	76,783,520	85,782,924	96,256,708	98,555,550	104,503,407	110,921,357	136,754,761	161,032,050	173,834,366
Vance.....	13,633,794	19,184,010	19,672,553	17,488,323	16,677,886	17,418,810	18,242,583	19,842,352	20,699,406	20,237,974	21,297,776	22,132,527	31,599,381	31,865,989	29,964,802
Wake.....	458,940,415	529,876,000	588,568,508	527,062,904	544,555,073	575,258,028	633,576,132	682,716,448	760,914,052	870,528,454	938,626,422	958,898,198	1,079,181,111	1,265,683,419	1,403,119,929
Warren.....	2,255,913	2,989,580	3,515,504	3,336,565	3,231,837	3,200,224	3,247,141	3,484,427	3,687,027	3,868,386	4,122,474	4,533,247	6,284,267	6,912,132	7,285,296
Washington.....	2,389,071	3,446,766	4,036,193	3,483,575	3,309,440	3,441,274	3,461,477	3,492,061	5,837,588	4,928,038	4,135,078	4,150,105	4,864,276	4,958,025	5,118,127
Watauga.....	27,128,289	31,971,826	35,309,913	30,688,814	30,251,026	32,636,205	34,626,888	36,932,565	40,572,073	41,609,423	44,121,157	45,680,424	54,986,948	63,445,991	68,066,694
Wayne.....	42,012,744	45,639,283	51,860,367	49,380,014	46,484,317	46,529,330	49,999,995	52,359,003	55,672,318	55,906,405	60,663,441	63,982,432	73,154,803	78,919,046	83,532,789
Wilkes.....	16,790,706	22,107,115	24,964,380	23,333,167	22,742,134	24,323,804	24,429,093	25,243,824	28,523,131	30,245,884	34,312,870	36,015,555	40,129,950	49,336,308	49,327,270
Wilson.....	31,341,622	39,970,045	42,618,075	37,432,818	38,041,686	37,875,620	39,630,770	43,454,591	48,317,740	47,088,020	50,121,098	54,872,383	57,879,905	64,430,274	68,715,488
Yadkin.....	7,171,828	8,852,973	9,204,021	7,754,306	7,839,261	8,148,499	8,869,225	9,441,384	10,276,851	10,202,123	10,818,935	11,737,867	14,017,763	15,361,459	16,434,853
Yancey.....	4,805,474	4,838,582	5,546,771	4,799,544	4,804,010	4,694,001	4,952,659	5,154,882	5,692,787	5,915,378	6,837,131	7,071,652	9,105,059	10,037,037	10,534,495
Unallocated.....	604,593,259	440,307,903	396,298,599	332,632,069	309,558,206	337,730,627	360,466,355	357,662,640	371,651,521	375,097,855	390,481,372	419,389,772	444,969,446	469,631,50	

TABLE 36A. - Continued

Changes in general sales tax rate: Effective October 16, 2001, the rate increased from 4% to 4.5%; effective December 1, 2006, the rate decreased to 4.25%; effective October 1, 2008, the rate increased to 4.5%; effective September 1, 2009, the rate increased from 4.5% to 5.5%; effective October 1, 2009, the rate increased to 5.75%; effective July 1, 2011, the rate decreased from 5.75% to 4.75% as result of the expiration of a temporary additional 1% State sales and use tax rate that had been in effect since September 1, 2009.

Changes in sales tax rate applicable to purchases of food for home consumption:

Effective May 1, 1999, the 2% State rate applicable to food purchased for home consumption was repealed. Effective July 1, 2003, all sales of soft drinks (fountain, those sold for home consumption, and vending) were made subject to both the State and local rates. [Prior to this date, soft drinks sold for home consumption were not taxable at the State level.] Effective January 1, 2004, sales of closed container soft drinks sold through vending machines were made subject to a partial exemption; only fifty percent (50%) of the sales price of closed container soft drinks sold through vending machines is taxable and subject to both the State and local rates under § 105-164.13(50). Effective January 1, 2004, candy was exempted from the State tax and subject to only the 2% local tax. [Candy sold through vending machines is taxed at fifty percent (50%) of the sales price and is subject to both the State and local rates under § 105-164.13(50).] Effective October 1, 2005, all sales of candy are subject to the combined State and local tax rate (taxation of candy sold through vending machines remains unchanged). Effective October 1, 2007, bakery thrift store sales of breads, rolls, and buns became exempt from the State sales tax. Effective January 1, 2009, bakery items sold without eating utensils by an artisan bakery were exempted from the State sales tax. Effective July 1, 2014, the State general rate applies to the retail sale of breads, rolls, and buns at a bakery thrift store.

Utility services group:

Effective August 1, 1996, sales of electricity and piped natural gas to farmers, manufacturers, and commercial laundries and dry cleaners for prescribed purposes were made subject to a 2.83% rate rather than 3%. Effective July 1, 1999, sales of piped natural gas became exempt from sales tax and, instead, became subject to the piped natural gas excise tax. Effective December 1, 2001, sales of spirituous liquor, other than mixed beverages, became subject to a 6% State sales and use tax. Mixed beverages were already subject to State and local sales and use taxes and were unaffected by the law change. Effective January 1, 2002, gross receipts of direct-to-home satellite service to subscribers in this State became subject to a 5% State sales tax. Effective January 1, 2002, gross receipts derived from providing telecommunications services became subject to a 6% State sales and use tax. Prior to the law change, local telecommunications services were subject to a 3% State sales tax rate and a 3.22% utility franchise tax rate; intrastate long distance calls were taxed at 6.5% and interstate long distance calls were exempt. Telecommunications services include local, interstate, intrastate, toll, private telecommunications, and mobile telecommunications services. Effective October 1, 2005, the sales and use tax imposed on the gross receipts of providing telecommunications and direct-to-home satellite services and spirituous liquor increased to the combined general rate of 7%; voice mail services became taxable as part of telecommunications services. Effective January 1, 2006, the combined general rate of 7% sales and use tax was imposed on the gross receipts of providing cable services; gross receipts derived from providing satellite digital audio radio service are taxable being subject to both the State general rate of tax and local rates; effective December 1, 2006, the combined general rate was reduced from 7% to 6.75% to coincide with the 0.25% State general rate reduction; effective April 1, 2008, the combined general rate increased from 6.75% to 7% to incorporate the additional 1/4% levy authorized for county governments; effective September 1, 2009, the combined general rate increased to 8%; effective July 1, 2011, the combined general rate decreased to 7% as result of the expiration of a temporary additional 1% State sales and use tax rate that had been in effect since September 1, 2009. The combined general rate is imposed on the gross receipts of telecommunications service and ancillary service, video programming services (direct-to-home satellite and cable), and to sales of spirituous liquor other than mixed beverages. Effective July 1, 2007, the tax rate applicable to sales of electricity sold to a manufacturing industry for qualifying purposes was reduced from 2.83% to 2.6%; effective October 1, 2007, the tax rate was further reduced to 1.8% for manufacturing qualifying purposes and applicability was expanded to include electricity sold to farmers for qualifying purposes; effective July 1, 2008, the tax rate decreased from 1.8% to 1.4%; effective July 1, 2009, the tax rate decreased from 1.4% to 0.8%; effective July 1, 2010, the 0.8% tax rate was repealed. Effective July 1, 2014, gross receipts derived from sales of electricity and piped natural gas sold at retail, sourced to the State, and billed on or after July 1, 2014, are subject to the 7% combined general rate of sales and use tax (a reduced 3.5% rate provision applies to sales by CHEMC and gas cities for a one-year period). Effective January 1, 2016, gross receipts derived from the retail sale of certain aviation gasoline and jet fuel are subject to the 7% combined general rate.

Changes in State 1% and 3% rates in 2005-06, 2006-07, and 2015-16:

Effective January 1, 2006, sales of railway cars, locomotives, and mobile classrooms and offices became taxable at the general State rate and applicable local rates (previously taxed at the State 3% rate with a \$1,500 maximum tax per article). Various farm items and fuel used for farming and commercial laundry operations were exempted from taxation (previously taxed at the 1% State sales tax rate). Additionally, various types of machinery (farm, telephone company property, laundry, freezer plant, and broadcasting) and various types of equipment (tobacco, air courier, and flight training) along with farm storage facilities and farm containers were exempted from the 1% State rate with an \$80 maximum tax per article. Concurrently, manufacturing machinery and fuel and qualifying recycling facility equipment were exempted from the State sales tax and made subject to the new privilege tax levied under Article 5F (refer to *Table 45*). Effective July 1, 2006, sales of certain commercial logging machinery and related attachments, repair parts, lubricants, and fuel used to operate logging machinery were exempted from taxation. (Items were previously subject to the 1% sales or use tax or 1% privilege tax as appropriate.) Effective October 1, 2015, the sales price of an aircraft sold at retail is subject to the 4.75% general State rate of tax (previously 3% State rate) with a maximum tax per article of \$2,500 (previously \$1,500).

Changes in State 2% and 2.5% rates in 2003-04 and 2013-14:

Effective January 1, 2014, the State general rate applies to the sales price (fifty percent [50%] of the sales price effective September 1, 2014) of each manufactured or modular home sold at retail, including all accessories attached to the home when delivered to the purchaser (previously, manufactured homes were subject to a preferential 2% State tax rate with a \$300 maximum tax per section; modular homes were subject to a preferential 2.5% State tax rate effective January 1, 2004 through December 31, 2013 (prior to January 1, 2004, modular homes received similar tax treatment as manufactured homes).

Figure 36A.1 State Sales and Use Tax Gross Collections: Nine Highest Ranked Counties for 2008-09 and 2022-23

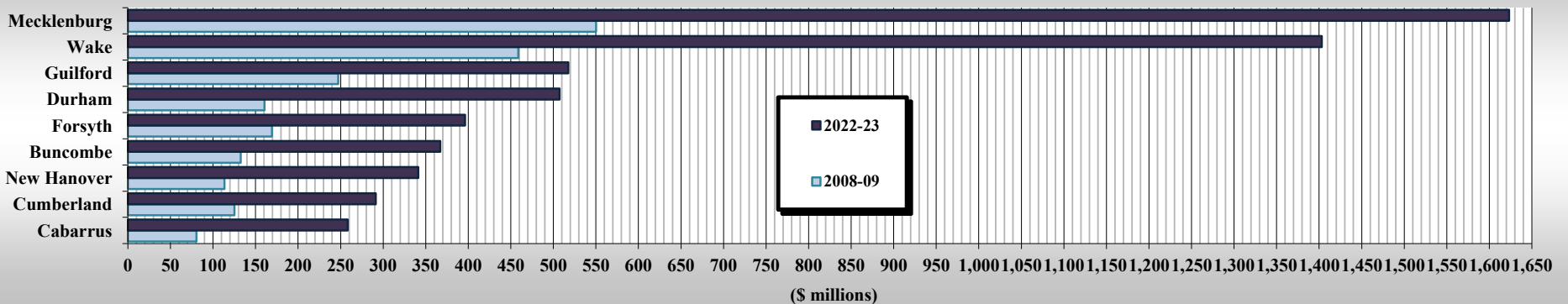


TABLE 36B. STATE SALES AND USE TAX: YEAR OVER YEAR PERCENT CHANGE IN GROSS COLLECTIONS BY COUNTY

County	09/08	10/09	11/10	12/11	13/12	14/13	15/14	16/15	17/16	18/17	19/18	20/19	21/20	22/21	23/22
Alamance.....	1.9%	14.4%	20.2%	-8.0%	-1.0%	9.3%	9.9%	9.4%	5.5%	4.6%	6.5%	0.6%	21.3%	9.5%	3.8%
Alexander.....	-1.7%	50.9%	14.8%	-7.4%	-1.6%	0.4%	5.2%	8.1%	8.1%	5.9%	8.3%	10.2%	27.1%	8.9%	6.7%
Alleghany.....	-14.1%	14.5%	17.7%	-15.9%	-7.9%	5.0%	6.5%	2.6%	8.8%	3.9%	9.6%	9.7%	25.7%	9.2%	19.6%
Anson.....	1.0%	26.8%	13.1%	-12.0%	-0.8%	8.5%	1.8%	10.1%	8.0%	1.3%	5.7%	2.5%	17.4%	9.5%	7.4%
Ashe.....	-2.9%	25.7%	13.8%	-12.2%	-5.1%	3.0%	8.9%	12.9%	10.9%	2.8%	10.9%	7.3%	20.9%	6.1%	12.4%
Avery.....	-11.1%	34.8%	12.0%	-16.2%	-0.6%	6.8%	10.1%	6.9%	9.8%	7.6%	14.0%	7.3%	32.9%	13.8%	6.0%
Beaufort.....	-0.3%	25.5%	9.1%	-8.2%	-6.9%	-2.5%	16.1%	0.4%	3.6%	2.9%	13.9%	0.6%	17.7%	13.3%	6.7%
Bertie.....	3.5%	92.2%	13.1%	-11.9%	6.5%	3.6%	9.7%	2.4%	4.8%	8.6%	-6.6%	6.4%	27.8%	10.1%	7.1%
Bladen.....	5.4%	62.8%	12.6%	-9.6%	1.5%	1.7%	1.9%	2.8%	8.9%	6.5%	-2.0%	0.8%	22.5%	2.4%	13.7%
Brunswick.....	-1.4%	24.4%	14.9%	-9.6%	4.5%	7.7%	10.2%	7.7%	11.7%	6.5%	9.8%	6.0%	27.5%	20.1%	11.2%
Buncombe.....	-5.6%	18.4%	14.8%	-10.8%	8.0%	4.4%	13.3%	9.2%	9.2%	5.9%	5.8%	-4.6%	12.2%	18.6%	5.3%
Burke.....	-2.7%	33.0%	14.2%	-13.4%	3.2%	6.1%	6.7%	7.6%	4.6%	4.7%	8.4%	2.5%	23.0%	10.6%	6.3%
Cabarrus.....	1.6%	32.9%	10.7%	-6.1%	4.4%	6.0%	9.7%	9.0%	8.7%	2.9%	6.4%	-1.7%	20.2%	13.1%	10.1%
Caldwell.....	1.8%	20.1%	10.9%	-9.0%	-4.7%	5.4%	13.3%	2.1%	-0.5%	2.6%	8.9%	5.5%	20.9%	9.1%	9.0%
Camden.....	-11.9%	70.3%	23.1%	-18.2%	-3.2%	-3.2%	-1.1%	13.7%	-7.3%	4.2%	6.0%	16.4%	27.9%	12.0%	12.4%
Carteret.....	-0.2%	20.0%	11.0%	-9.3%	-3.4%	5.8%	7.7%	6.5%	7.3%	5.6%	13.7%	-0.8%	20.5%	12.2%	6.2%
Caswell.....	1.2%	74.4%	23.7%	-1.3%	-14.0%	4.4%	10.0%	0.8%	7.0%	16.5%	0.3%	4.1%	29.1%	14.7%	11.6%
Catawba.....	-7.0%	21.3%	11.5%	-13.6%	-2.6%	3.5%	8.5%	7.9%	9.3%	2.4%	4.3%	0.7%	15.9%	13.2%	7.4%
Chatham.....	-3.4%	43.2%	15.0%	-12.8%	2.8%	7.8%	12.4%	13.3%	7.5%	4.0%	8.3%	12.0%	28.4%	20.2%	14.1%
Cherokee.....	-1.9%	5.4%	9.5%	-13.8%	-3.7%	2.2%	9.6%	7.6%	11.8%	7.1%	7.9%	4.2%	26.9%	12.8%	5.1%
Chowan.....	-7.4%	54.1%	12.3%	-12.2%	-2.0%	4.5%	1.9%	12.7%	4.8%	3.1%	8.5%	1.8%	19.8%	14.7%	5.2%
Clay.....	-8.0%	41.0%	7.5%	-12.0%	-2.3%	12.1%	2.1%	6.0%	-2.3%	9.9%	11.6%	15.8%	31.2%	12.8%	5.4%
Cleveland.....	4.3%	8.6%	19.8%	-8.7%	-1.2%	-1.1%	14.2%	1.7%	14.4%	10.4%	1.2%	-4.4%	20.5%	12.5%	10.4%
Columbus.....	3.0%	19.4%	10.4%	-13.8%	2.8%	1.6%	1.0%	4.3%	10.0%	4.5%	4.3%	0.7%	21.4%	6.3%	7.2%
Craven.....	9.2%	25.3%	5.3%	-8.4%	-4.9%	-0.3%	7.1%	7.8%	6.2%	2.4%	16.8%	0.1%	16.0%	10.7%	7.1%
Cumberland.....	7.2%	38.0%	12.6%	-12.0%	-1.1%	-1.4%	5.3%	4.2%	5.0%	0.1%	6.7%	0.2%	20.9%	9.7%	6.5%
Currituck.....	0.0%	59.6%	21.3%	-3.5%	1.9%	1.2%	3.7%	5.6%	7.5%	9.2%	4.3%	5.7%	33.0%	12.2%	6.9%
Dare.....	0.5%	3.3%	20.7%	-10.5%	-0.1%	2.0%	5.4%	5.7%	9.8%	4.5%	3.1%	-2.4%	31.7%	12.4%	3.4%
Davidson.....	-1.7%	14.3%	11.8%	-9.6%	-2.4%	3.6%	14.8%	9.6%	8.0%	2.2%	11.2%	8.0%	18.5%	11.2%	11.3%
Davie.....	3.5%	21.9%	7.5%	-10.9%	14.7%	8.7%	2.5%	4.6%	9.8%	-0.9%	13.7%	8.0%	20.3%	7.8%	12.6%
Duplin.....	7.8%	32.7%	15.3%	-8.9%	4.6%	0.7%	1.9%	7.5%	10.3%	-1.4%	14.0%	0.0%	17.4%	7.9%	6.6%
Durham.....	1.5%	33.6%	11.8%	-10.3%	8.8%	11.9%	10.8%	5.9%	6.6%	4.5%	8.0%	0.5%	10.3%	17.0%	5.7%
Edgecombe.....	3.1%	15.7%	16.0%	-8.7%	-10.0%	7.6%	0.7%	2.3%	7.4%	1.4%	20.4%	49.7%	-4.9%	-6.7%	0.8%
Forsyth.....	-6.4%	17.6%	13.7%	-11.4%	-2.5%	2.0%	8.9%	8.0%	8.9%	0.2%	6.9%	-0.3%	21.7%	12.8%	5.8%
Franklin.....	-8.0%	10.2%	10.5%	-7.3%	1.6%	5.5%	11.4%	10.5%	10.3%	5.8%	8.2%	11.1%	31.0%	15.8%	11.0%
Gaston.....	-1.3%	23.1%	11.8%	-7.6%	-4.2%	3.2%	9.8%	8.2%	8.3%	3.5%	12.4%	7.5%	19.6%	15.1%	9.8%
Gates.....	5.9%	74.5%	10.2%	-10.0%	7.4%	6.6%	6.9%	6.5%	9.8%	2.9%	6.0%	12.3%	31.8%	3.5%	1.3%
Graham.....	-8.0%	31.5%	12.0%	-5.4%	5.6%	-2.4%	1.2%	10.2%	21.2%	-0.7%	5.6%	13.2%	27.7%	13.6%	-0.9%
Granville.....	5.3%	36.0%	9.1%	-11.0%	1.7%	5.2%	12.4%	4.4%	10.5%	-0.3%	7.2%	7.6%	18.3%	9.5%	10.0%
Greene.....	-2.2%	50.5%	14.8%	-4.6%	-8.1%	4.8%	7.8%	6.6%	-1.4%	5.6%	9.8%	15.9%	20.5%	8.0%	8.9%
Guilford.....	-4.6%	8.5%	14.9%	-11.1%	-1.9%	4.0%	9.9%	4.0%	9.7%	1.0%	6.8%	-1.4%	11.7%	15.5%	7.7%
Halifax.....	5.9%	28.0%	9.4%	-7.2%	-1.2%	3.5%	6.7%	2.0%	7.2%	4.6%	12.2%	-8.9%	17.3%	6.8%	7.2%
Harnett.....	0.8%	30.3%	13.0%	-11.4%	2.2%	5.1%	15.7%	11.0%	10.0%	5.2%	6.6%	9.4%	24.7%	11.3%	10.0%
Haywood.....	-7.7%	26.9%	8.7%	-11.9%	2.2%	1.0%	11.2%	5.7%	6.0%	2.9%	6.7%	5.7%	22.4%	11.4%	8.0%
Henderson.....	-4.6%	19.1%	11.0%	-13.9%	7.8%	2.5%	9.2%	11.0%	9.5%	5.0%	6.3%	2.8%	19.5%	18.1%	8.6%
Hertford.....	6.5%	19.8%	21.3%	-6.5%	-2.9%	3.3%	2.8%	1.1%	3.8%	3.3%	3.2%	5.2%	9.5%	4.0%	5.5%
Hoke.....	3.6%	91.7%	31.9%	-14.5%	16.2%	-1.1%	3.8%	5.0%	7.4%	12.9%	1.7%	12.3%	34.1%	8.4%	8.0%
Hyde.....	-9.0%	30.7%	16.9%	-12.3%	-6.6%	7.2%	3.0%	5.6%	2.9%	-0.4%	8.8%	-6.5%	30.8%	14.0%	1.7%
Iredell.....	-6.8%	16.6%	13.3%	-5.1%	-4.4%	5.4%	11.1%	5.8%	8.8%	2.6%	8.3%	6.9%	20.4%	12.6%	9.6%
Jackson.....	-4.3%	25.2%	8.0%	-10.8%	-1.0%	8.0%	12.7%	3.1%	13.9%	6.8%	10.4%	9.8%	25.5%	15.3%	4.4%

TABLE 36B. -Continued

County	09/08	10/09	11/10	12/11	13/12	14/13	15/14	16/15	17/16	18/17	19/18	20/19	21/20	22/21	23/22
Johnston.....	-3.0%	31.4%	11.5%	-10.7%	1.8%	4.3%	9.3%	6.6%	12.3%	5.6%	12.6%	1.3%	19.1%	17.6%	5.6%
Jones.....	-0.2%	50.2%	6.1%	-4.9%	-14.1%	2.9%	-2.3%	3.1%	36.9%	14.2%	18.9%	-4.0%	24.0%	4.5%	5.4%
Lee.....	-3.7%	19.5%	20.3%	-8.3%	-2.5%	-0.4%	5.9%	10.3%	10.2%	2.8%	6.5%	2.9%	22.7%	10.3%	7.8%
Lenoir.....	-1.9%	21.6%	8.2%	-10.4%	-5.0%	1.3%	-0.2%	5.0%	6.7%	4.0%	7.6%	1.1%	14.2%	7.0%	4.0%
Lincoln.....	-1.5%	23.3%	9.2%	-11.2%	-0.4%	8.7%	12.3%	8.4%	16.9%	5.0%	17.0%	11.0%	24.2%	12.2%	7.3%
Macon.....	-8.2%	13.4%	9.2%	-12.2%	2.3%	2.8%	7.0%	6.1%	12.9%	4.5%	6.2%	2.5%	26.6%	17.2%	12.8%
Madison.....	2.0%	52.9%	10.4%	-10.5%	2.6%	1.9%	6.3%	12.1%	9.4%	5.3%	8.8%	12.7%	41.4%	15.1%	11.7%
Martin.....	12.0%	28.2%	8.9%	-7.4%	-7.3%	0.0%	2.8%	0.5%	4.9%	1.7%	4.6%	0.7%	20.2%	0.7%	8.9%
McDowell.....	0.6%	24.3%	10.6%	-4.5%	-5.4%	7.5%	5.1%	4.0%	9.6%	0.7%	12.7%	6.7%	18.3%	8.1%	6.2%
Mecklenburg.....	-9.1%	28.6%	11.5%	-8.6%	3.0%	5.3%	11.3%	7.4%	8.3%	4.3%	7.2%	-0.2%	9.9%	18.8%	9.9%
Mitchell.....	3.4%	19.2%	13.2%	-10.1%	-7.8%	3.7%	0.3%	2.0%	7.1%	4.6%	1.9%	0.7%	15.6%	10.8%	11.1%
Montgomery.....	-2.1%	39.7%	6.3%	-11.4%	5.3%	2.7%	9.7%	7.8%	4.0%	13.6%	12.6%	3.3%	17.6%	13.4%	2.6%
Moore.....	-4.2%	37.9%	13.9%	-12.5%	0.8%	5.3%	7.3%	5.8%	9.6%	1.5%	8.5%	8.5%	22.8%	16.6%	7.0%
Nash.....	-3.8%	28.1%	8.0%	-12.2%	-5.0%	0.4%	5.2%	7.2%	6.0%	4.1%	4.3%	-2.6%	17.7%	15.9%	13.0%
New Hanover.....	-6.9%	22.1%	18.5%	-6.4%	1.1%	3.9%	11.0%	7.4%	8.8%	2.2%	13.3%	-1.0%	14.2%	16.3%	7.4%
Northampton.....	-4.4%	96.7%	14.9%	-11.1%	19.0%	-7.4%	5.0%	19.5%	-1.2%	22.2%	6.6%	-4.9%	28.0%	-3.0%	15.5%
Onslow.....	9.2%	40.1%	17.5%	-6.6%	1.3%	-1.5%	1.6%	0.5%	5.0%	3.1%	16.5%	1.8%	22.1%	9.4%	6.2%
Orange.....	-1.2%	27.9%	12.0%	-12.4%	8.9%	20.8%	3.9%	6.1%	10.0%	2.4%	8.9%	1.8%	9.7%	15.6%	12.2%
Pamlico.....	6.7%	14.4%	22.7%	-19.1%	-1.9%	6.6%	9.5%	6.2%	8.7%	4.2%	12.6%	-0.4%	23.5%	11.5%	7.8%
Pasquotank.....	-1.2%	19.2%	9.7%	-9.6%	8.9%	-12.7%	6.1%	11.8%	5.4%	-0.3%	10.7%	6.8%	19.9%	7.9%	6.6%
Pender.....	-7.2%	32.6%	19.9%	-7.8%	0.4%	6.3%	14.7%	12.3%	12.8%	7.1%	13.5%	5.3%	28.9%	16.1%	9.6%
Perquimans.....	-18.3%	36.7%	9.0%	-13.4%	8.5%	7.8%	5.7%	13.7%	13.1%	-13.6%	8.3%	18.3%	28.1%	8.8%	3.2%
Person.....	-2.0%	14.5%	10.2%	-7.8%	-5.6%	5.9%	4.6%	4.9%	5.4%	7.1%	7.7%	-1.1%	19.5%	12.1%	8.1%
Pitt.....	-3.1%	41.8%	15.2%	-12.8%	-0.3%	0.3%	9.2%	6.1%	8.6%	1.2%	4.3%	3.8%	14.8%	10.2%	6.8%
Polk.....	-11.3%	46.6%	8.7%	-10.8%	-0.8%	14.6%	18.9%	7.1%	9.0%	10.1%	23.2%	-11.8%	33.0%	14.5%	7.7%
Randolph.....	3.1%	23.8%	19.2%	-13.1%	-2.1%	1.9%	6.3%	11.6%	9.9%	1.6%	6.2%	4.1%	19.0%	13.6%	17.4%
Richmond.....	5.8%	32.9%	10.2%	-8.3%	-8.2%	-2.7%	16.0%	6.9%	6.7%	0.6%	5.2%	2.1%	21.7%	4.2%	7.8%
Robeson.....	7.0%	28.0%	12.9%	-9.9%	-0.9%	1.5%	8.1%	8.1%	5.8%	-0.5%	9.1%	-1.2%	21.6%	2.7%	8.1%
Rockingham.....	6.3%	29.9%	13.2%	-10.7%	-6.8%	1.4%	7.2%	3.7%	7.4%	-0.2%	11.5%	4.8%	21.5%	19.4%	11.2%
Rowan.....	-1.1%	33.7%	22.0%	-10.7%	-5.3%	6.7%	9.5%	6.3%	9.8%	1.2%	12.8%	1.8%	15.0%	15.5%	12.2%
Rutherford.....	2.9%	44.9%	8.5%	-1.9%	-16.5%	0.3%	1.7%	13.2%	17.1%	-6.1%	15.1%	1.8%	21.4%	9.9%	5.5%
Sampson.....	-3.1%	45.2%	13.7%	-10.0%	-3.7%	3.3%	8.9%	10.0%	4.5%	-2.0%	7.3%	3.8%	17.3%	8.7%	11.5%
Scotland.....	3.7%	21.4%	3.2%	-14.1%	-5.2%	3.8%	5.1%	6.0%	10.8%	8.0%	1.0%	-0.9%	24.7%	6.7%	2.1%
Stanly.....	-0.2%	10.9%	10.7%	-13.4%	2.1%	-1.4%	6.5%	10.3%	9.1%	3.8%	10.5%	12.9%	21.1%	14.6%	6.2%
Stokes.....	4.4%	37.2%	13.4%	-12.5%	3.2%	2.6%	4.9%	16.5%	10.2%	9.4%	4.7%	9.4%	20.3%	11.3%	10.1%
Surry.....	3.8%	30.7%	10.8%	-14.8%	0.6%	2.1%	5.6%	6.2%	7.1%	0.1%	6.5%	3.7%	16.4%	12.2%	6.8%
Swain.....	3.2%	45.5%	5.3%	-12.2%	-4.7%	3.9%	12.0%	17.3%	11.3%	4.3%	0.5%	12.3%	33.3%	12.4%	6.3%
Transylvania.....	-8.7%	10.8%	10.8%	-14.5%	5.7%	1.5%	8.0%	8.9%	10.2%	4.4%	9.6%	5.3%	26.2%	12.1%	7.5%
Tyrrell.....	-3.0%	62.9%	-0.5%	7.2%	0.2%	4.7%	-2.9%	14.5%	0.3%	19.5%	-8.7%	-0.1%	28.7%	10.9%	1.5%
Union.....	0.1%	11.4%	12.9%	-10.1%	8.2%	10.6%	10.2%	11.7%	12.2%	2.4%	6.0%	6.1%	23.3%	17.8%	8.0%
Vance.....	1.9%	40.7%	2.5%	-11.1%	-4.6%	4.4%	4.7%	8.8%	4.3%	-2.2%	5.2%	3.9%	42.8%	0.8%	-6.0%
Wake.....	-5.2%	15.5%	11.1%	-10.5%	3.3%	5.6%	10.1%	7.8%	11.5%	14.4%	7.8%	2.2%	12.5%	17.3%	10.9%
Warren.....	-3.5%	32.5%	17.6%	-5.1%	-3.1%	-1.0%	1.5%	7.3%	5.8%	4.9%	6.6%	10.0%	38.6%	10.0%	5.4%
Washington.....	11.7%	44.3%	17.1%	-13.7%	-5.0%	4.0%	0.6%	0.9%	67.2%	-15.6%	-16.1%	0.4%	17.2%	1.9%	3.2%
Watauga.....	-5.4%	17.9%	10.4%	-13.1%	-1.4%	7.9%	6.1%	6.7%	9.9%	2.6%	6.0%	3.5%	20.4%	15.4%	7.3%
Wayne.....	3.4%	8.6%	13.6%	-4.8%	-5.9%	0.1%	7.5%	4.7%	6.3%	0.4%	8.5%	5.5%	14.3%	7.9%	5.8%
Wilkes.....	-6.0%	31.7%	12.9%	-6.5%	-2.5%	7.0%	0.4%	3.3%	13.0%	6.0%	13.4%	5.0%	11.4%	22.9%	0.0%
Wilson.....	-6.1%	27.5%	6.6%	-12.2%	1.6%	-0.4%	4.6%	9.6%	11.2%	-2.5%	6.4%	9.5%	5.5%	11.3%	6.7%
Yadkin.....	2.9%	23.4%	4.0%	-15.8%	1.1%	3.9%	8.8%	6.5%	8.8%	-0.7%	6.0%	8.5%	19.4%	9.6%	7.0%
Yancey.....	-14.5%	0.7%	14.6%	-13.5%	0.1%	-2.3%	5.5%	4.1%	10.4%	3.9%	15.6%	3.4%	28.8%	10.2%	5.0%
Unallocated.....	-21.3%	-27.2%	-10.0%	-16.1%	-6.9%	9.1%	6.7%	-0.8%	3.9%	0.9%	4.1%	7.4%	6.1%	5.5%	7.7%
Statewide totals..	-6.2%	16.4%	10.8%	-10.4%	0.5%	4.8%	9.1%	6.6%	8.6%	4.3%	7.8%	2.0%	15.7%	14.2%	8.3%
Utility services....	5.0%	5.8%	-1.9%	-9.9%	1.2%	-0.2%	52.8%	-0.5%	-1.2%	0.5%	1.3%	-3.8%	1.5%	0.3%	4.1%
8% hwy use tax...	-10.0%	-8.1%	21.4%	3.6%	4.0%	7.7%	6.4%	11.1%	4.6%	2.7%	7.6%	-12.1%	-7.1%	42.6%	8.2%
Totals.....	-4.4%	14.3%	8.8%	-10.2%	0.6%	4.0%	15.4%	5.2%	6.7%	3.7%	6.7%	1.0%	13.4%	12.6%	7.8%

Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of the receipt of certain tax collections from fiscal year 2019-2020 to fiscal year 2020-2021.

TABLE 37A. STATE SALES AND USE TAX: RETAIL TAXABLE SALES† BY COUNTY

[§ 105 ARTICLE 5.]

†[This series reports retail taxable sales instead of gross retail sales (taxable and nontaxable sales) reported in the *Statistical Abstract* 2004 through 2006 editions. In fiscal year 2005-2006, the Streamlined Sales Tax Agreement required a change in information reporting requirements such that not all taxpayers report gross retail sales. Retail taxable sales are computed amounts derived from the tax remittance portion of revenue collections; beginning with fiscal year 2009-2010, the county revenue collection amounts are calculations of State taxes, as allocated to counties by gross collections of local taxes subject to the general State sales and use tax rate.]

Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of the receipt of certain tax collections from fiscal year 2019-2020 to fiscal year 2020-2021.

County	2008-2009	2009-2010	2010-2011	2011-2012	2012-2013	2013-2014	2014-2015	2015-2016	2016-2017	2017-2018	2018-2019	2019-2020	2020-2021	2021-2022	2022-2023
	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]
Alamance.....	1,431,415,494	1,364,993,245	1,513,529,921	1,651,538,169	1,664,282,111	1,820,004,443	1,999,751,134	2,184,664,518	2,304,426,840	2,411,562,120	2,570,825,171	2,586,791,531	3,141,095,928	3,433,450,050	3,568,867,246
Alexander.....	103,765,887	129,010,547	137,708,236	151,308,794	151,905,603	151,798,298	160,165,310	173,035,706	186,985,995	197,917,212	214,699,676	236,758,340	300,048,333	327,470,016	349,814,407
Alleghany.....	60,510,135	57,945,285	62,358,969	61,905,458	58,282,301	61,431,825	65,233,499	66,831,443	72,800,107	75,461,402	83,087,509	91,174,948	114,913,663	125,413,301	150,161,128
Anson.....	95,373,473	100,467,909	105,215,203	109,715,760	111,277,912	120,617,502	122,667,744	134,996,521	146,050,267	147,933,728	156,403,773	160,363,148	188,315,254	206,043,043	221,209,610
Ashe.....	163,812,846	171,210,126	179,253,238	186,616,709	180,561,624	185,386,598	202,026,455	228,411,083	253,694,440	260,627,873	288,978,760	310,324,393	375,191,398	397,720,643	447,045,631
Avery.....	154,840,320	175,429,674	178,465,907	176,832,450	179,786,863	191,625,082	211,346,510	226,280,202	248,176,546	267,321,787	303,697,684	326,564,991	433,534,873	494,556,672	525,997,394
Beaufort.....	352,590,504	367,511,894	370,216,394	403,097,199	382,584,652	374,004,970	432,679,562	423,465,897	450,815,614	464,677,522	526,084,074	533,214,794	630,117,101	712,134,025	756,601,326
Bertie.....	36,536,032	58,334,501	61,433,073	64,021,627	69,449,385	72,189,706	79,123,112	80,972,618	84,817,604	92,134,499	86,238,709	91,268,326	116,898,101	128,755,726	138,248,000
Bladen.....	117,526,070	158,926,263	164,781,914	176,785,791	183,032,657	186,244,894	188,830,915	194,520,492	211,659,244	225,706,271	220,771,805	222,471,483	273,612,397	279,269,012	317,172,397
Brunswick.....	906,375,513	953,091,346	991,119,126	1,057,757,262	1,133,037,050	1,220,992,492	1,344,734,361	1,448,484,197	1,616,848,003	1,723,354,976	1,891,655,490	2,004,262,747	2,560,179,661	3,074,608,205	3,419,807,026
Buncombe.....	2,995,665,910	2,954,277,382	3,125,296,879	3,308,421,583	3,632,106,651	3,789,896,675	4,305,329,030	4,705,944,445	5,134,269,461	5,437,492,143	5,754,439,712	5,490,195,247	6,160,933,639	7,310,486,077	7,703,980,426
Burke.....	426,163,516	469,839,746	495,244,199	508,365,527	534,678,370	566,818,879	605,075,032	650,624,008	682,252,497	713,620,315	773,965,799	793,783,335	975,662,856	1,079,757,620	1,146,309,903
Cabarrus.....	1,823,993,530	2,007,249,054	2,062,851,155	2,301,711,988	2,446,413,119	2,594,482,141	2,844,707,240	3,099,317,306	3,368,351,201	3,469,472,314	3,690,408,636	3,627,557,388	4,360,483,763	4,938,277,630	5,435,301,203
Caldwell.....	438,405,042	437,609,845	447,996,421	483,933,455	469,168,229	494,164,800	560,528,987	571,758,036	569,037,210	582,851,945	635,352,678	671,480,039	813,133,366	886,700,596	966,716,440
Camden.....	33,328,256	46,360,498	51,509,036	50,730,114	49,972,023	48,367,738	47,730,141	53,588,026	50,174,851	52,305,070	55,589,071	64,824,558	82,348,691	92,664,230	104,174,491
Carteret.....	798,250,755	810,347,610	810,592,085	867,503,174	857,547,296	910,571,306	979,777,817	1,042,560,897	1,117,905,171	1,181,111,930	1,341,175,848	1,331,296,629	1,607,495,381	1,801,041,869	1,913,936,498
Caswell.....	29,818,221	43,047,487	49,632,178	58,157,431	50,936,103	53,230,314	57,477,722	58,971,286	62,996,267	73,422,181	73,658,149	76,961,176	99,352,717	114,115,369	127,268,582
Catawba.....	1,654,738,905	1,660,259,697	1,717,114,313	1,762,264,001	1,752,062,177	1,809,994,214	1,959,758,086	2,118,665,330	2,314,253,379	2,369,166,774	2,471,054,937	2,489,379,655	2,886,237,016	3,268,344,174	3,508,242,241
Chatham.....	287,773,659	341,656,165	363,077,777	375,860,796	393,381,994	423,568,903	477,004,188	539,459,689	580,962,690	602,849,146	653,377,632	732,716,306	941,568,821	1,131,759,577	1,290,817,742
Cherokee.....	244,123,605	214,472,262	215,083,977	218,913,114	215,389,901	219,164,375	241,290,850	260,681,114	291,146,684	311,696,768	336,589,558	350,645,166	444,475,871	501,905,267	527,753,720
Chowan.....	70,724,228	90,019,652	94,155,344	98,658,950	97,456,191	101,836,399	103,731,300	116,863,237	122,459,581	126,339,293	136,835,576	139,298,113	167,363,171	191,525,788	201,989,916
Clay.....	49,372,543	57,892,738	56,036,046	58,054,621	57,443,201	63,639,110	66,205,765	70,199,429	68,365,381	75,357,695	84,192,328	97,364,107	128,013,239	144,402,495	152,469,625
Cleveland.....	650,672,398	586,748,928	649,266,537	703,081,677	707,780,764	699,191,084	800,283,378	814,306,290	930,811,587	1,028,860,284	1,040,811,069	995,035,544	1,197,429,055	1,348,544,430	1,489,278,275
Columbus.....	306,095,881	304,077,117	308,320,732	315,389,239	331,528,669	336,324,415	338,976,004	354,048,645	390,362,600	407,724,004	424,010,695	427,437,286	520,415,828	552,943,667	592,915,939
Craven.....	807,830,025	840,507,069	816,041,254	887,252,910	859,023,029	856,485,916	915,307,613	988,762,387	1,051,046,107	1,075,867,804	1,256,197,444	1,258,463,144	1,459,681,770	1,614,422,511	1,730,011,099
Cumberland.....	2,844,376,173	3,240,731,656	3,375,817,327	3,531,570,536	3,558,501,388	3,509,005,624	3,693,046,187	3,848,839,911	4,040,268,838	4,049,332,515	4,318,734,008	4,330,602,890	5,238,219,221	5,743,623,701	6,118,176,646
Currituck.....	226,417,237	318,747,965	332,514,827	376,757,269	394,657,890	400,774,559	415,039,119	438,317,888	472,169,716	513,263,275	538,209,929	567,632,205	755,108,500	847,222,281	905,164,595
Dare.....	1,170,561,923	1,052,642,348	1,099,298,494	1,159,528,701	1,190,941,000	1,214,957,587	1,278,542,243	1,352,076,063	1,483,764,517	1,551,369,779	1,599,187,555	1,560,596,499	2,055,154,840	2,311,533,280	2,392,569,068
Davidson.....	856,982,637	812,388,439	839,389,131	898,086,758	893,655,499	925,274,901	1,063,562,711	1,164,256,536	1,256,590,018	1,286,150,383	1,430,652,231	1,546,022,768	1,837,340,601	2,042,648,511	2,272,671,926
Davie.....	206,971,057	210,322,952	207,532,431	219,485,417	256,859,516	279,407,165	286,208,698	298,742,597	327,317,625	324,717,302	369,852,435	399,423,446	481,387,210	518,994,735	584,792,994
Duplin.....	245,613,104	267,312,696	285,930,599	309,621,179	329,440,506	331,064,806	336,793,469	362,030,577	399,527,014	392,792,226	448,211,385	449,641,224	528,143,449	569,830,781	608,399,084
Durham.....	3,630,249,377	4,022,517,616	4,163,245,973	4,434,078,534	4,902,628,024	5,501,325,031	6,097,770,417	6,458,506,000	6,884,030,147	7,195,550,251	7,771,143,935	7,811,731,033	8,612,784,253	10,073,809,347	10,661,429,553
Edgecombe.....	290,315,007	278,474,186	298,854,174	322,439,533	295,862,936	318,329,147	318,878,196	327,274,028	352,056,945	356,430,264	430,107,666	645,064,028	613,148,914	572,096,898	576,480,176
Forsyth.....	3,848,268,051	3,726,843,936	3,920,362,498	4,119,672,960	4,087,882,705	4,185,903,565	4,550,173,369	4,915,860,777	5,355,374,589	5,368,482,871	5,740,825,793	5,724,710,125	6,968,752,208	7,862,160,614	8,328,159,602
Franklin.....	258,538,015	235,419,539	240,853,230	265,002,487	274,328,495	289,029,080	322,197,615	356,048,044	393,797,356	414,668,640	449,000,971	499,130,570	655,172,268	757,695,185	841,277,530
Gaston.....	1,403,855,458	1,429,391,421	1,481,728,743	1,623,797,583	1,586,516,806	1,633,818,989	1,795,763,072	1,940,105,647	2,102,944,605	2,179,421,047	2,447,754,395	2,632,868,533	3,151,519,745	3,627,750,177	3,985,427,207
Gates.....	15,440,984	22,454,230	22,906,918	24,437,298	26,773,298	28,572,612	30,456,711	32,437,062	35,548,498	36,713,367	38,973,584	43,613,361	57,610,618	59,712,412	60,406,868
Graham.....	38,422,626	42,693,185	43,500,477	48,573,970	52,080,215	50,971,378	51,869,562	57,091,677	68,550,545	68,706,966	72,648,966	81,596,263	104,735,008	118,225,031	118,333,718
Granville.....	205,760,716	233,606,179	234,782,070	247,796,008	256,717,964	270,499,775	304,135,195	317,539,506	351,781,612	350,166,276	375,155,602	403,522,125	477,397,293	523,427,046	575,101,767
Greene.....	38,123,937	47,552,272	50,440,874	57,307,232	53,470,289	56,173,473	60,407,472	64,516,633	63,625,609	67,274,067	73,841,663	85,597,179	103,399,163	111,795,575	121,873,961
Guilford.....	5,590,367,752	5,033,481,813	5,360,355,128	5,639,379,892	5,645,035,166	5,871,111,690	6,449,699,410	6,706,236,444	7,352,422,087	7,433,151,224	7,936,833,387	7,827,599,063	8,744,857,835	10,091,509,685	10,871,340,236
Halifax.....	342,669,578	363,512,589	368,108,214	405,991,287	406,222,818	421,553,844	449,581,469	458,191,165	492,473,309	515,454,494	577,953,136	526,737,893	617,228,301	660,479,570	707,338,231
Harnett.....	489,167,287	515,689,932	536,764,468	564,710,410	589,696,285	615,980,667	706,003,585	784,421,211	863,165,481	907,299,023	967,017,777	1,059,093,282	1,322,727,296	1,471,499,870	1,616,709,626
Haywood.....	489,719,216	519,812,261	518,290,311	540,735,522	560,682,305	565,672,009	631,113,234	668,797,028	707,655,991	728,626,526	777,989,997	822,146,902	1,007,773,115	1,122,929,145	1,213,036,815
Henderson.....	778,897,590	774,661,627	788,189,300	805,743,548	881,868,200										

TABLE 37A. -Continued

County	2008-2009 [S]	2009-2010 [S]	2010-2011 [S]	2011-2012 [S]	2012-2013 [S]	2013-2014 [S]	2014-2015 [S]	2015-2016 [S]	2016-2017 [S]	2017-2018 [S]	2018-2019 [S]	2019-2020 [S]	2020-2021 [S]	2021-2022 [S]	2022-2023 [S]
Johnston.....	1,037,738,950	1,123,806,656	1,158,171,151	1,226,528,835	1,269,711,827	1,326,698,697	1,449,796,135	1,543,412,374	1,736,363,838	1,833,795,388	2,064,034,841	2,089,243,040	2,491,458,161	2,930,654,428	3,090,963,039
Jones.....	23,484,183	29,531,352	28,868,381	32,619,483	28,604,677	29,298,263	28,584,800	29,520,289	40,634,238	46,230,849	55,053,733	52,759,840	65,585,287	68,526,514	72,129,846
Lee.....	512,834,756	510,600,556	568,921,206	615,902,897	612,030,784	608,279,438	640,911,774	707,003,905	782,203,825	798,513,227	854,594,842	879,657,369	1,072,243,126	1,184,846,722	1,275,732,641
Lenoir.....	457,801,972	462,332,491	462,001,599	493,184,939	475,880,806	482,444,693	480,986,201	504,752,172	538,835,365	560,289,966	602,888,673	609,835,902	696,185,920	744,394,915	775,574,666
Lincoln.....	439,194,737	446,132,046	451,111,944	474,170,558	481,712,707	523,188,136	586,401,157	634,594,224	741,649,718	779,503,604	911,636,932	1,012,853,827	1,259,403,941	1,411,862,233	1,515,026,672
Macon.....	370,448,466	352,257,278	351,005,709	364,317,096	380,588,020	390,719,316	418,717,220	445,185,068	501,545,459	525,206,469	556,469,301	571,501,972	723,867,477	846,962,521	957,089,699
Madison.....	54,482,636	70,008,035	70,914,100	75,032,396	77,980,332	79,149,580	85,131,990	95,782,217	104,568,385	109,967,523	119,926,482	134,872,993	190,197,071	220,667,060	246,284,029
Martin.....	163,910,298	174,104,890	176,101,795	193,541,044	182,854,461	182,880,843	188,432,086	189,186,131	198,357,650	201,774,085	211,075,771	212,519,242	254,926,190	257,044,806	280,527,864
McDowell.....	236,529,412	244,051,224	248,385,595	281,250,189	271,353,329	291,446,832	306,649,350	318,946,993	349,263,767	352,113,072	396,142,608	422,767,987	499,465,778	541,068,169	573,664,320
Mecklenburg.....	12,476,582,833	13,259,834,567	13,689,815,041	14,853,835,526	15,561,579,637	16,427,509,693	18,298,730,968	19,643,687,312	21,272,409,316	22,200,119,100	23,803,537,694	23,748,194,923	26,097,009,350	31,011,893,464	34,108,420,190
Mitchell.....	118,565,190	117,617,266	122,216,781	130,085,562	122,249,020	126,840,182	127,524,695	130,054,551	139,237,049	145,537,601	148,399,209	149,538,792	173,092,610	191,388,634	212,850,111
Montgomery.....	105,085,544	120,849,694	118,701,312	124,455,334	133,776,188	137,447,501	150,120,109	162,476,299	169,206,245	191,642,419	216,018,449	223,224,619	262,577,176	297,693,829	305,515,279
Moore.....	743,499,477	849,424,339	893,991,000	928,085,654	955,312,120	1,003,519,187	1,072,932,381	1,136,776,167	1,244,569,827	1,262,871,997	1,372,018,990	1,488,624,810	1,828,652,773	2,131,350,281	2,280,940,600
Nash.....	817,540,894	869,004,703	868,253,556	906,710,215	875,986,229	879,082,613	921,377,480	987,814,638	1,048,439,290	1,090,398,938	1,137,882,993	1,107,838,403	1,304,927,895	1,511,501,173	1,711,088,776
New Hanover.....	2,572,742,760	2,619,260,826	2,849,562,321	3,159,001,174	3,254,485,249	3,384,865,474	3,757,376,202	4,033,313,586	4,391,502,592	4,484,999,670	5,078,560,059	5,027,552,920	5,746,625,707	6,680,019,863	7,179,532,403
Northampton.....	36,355,302	58,849,064	62,466,903	66,153,690	78,928,248	73,266,617	76,568,553	92,012,357	90,925,312	111,105,392	118,396,960	112,707,977	144,108,986	140,089,145	161,960,239
Onslow.....	1,298,671,543	1,513,485,900	1,639,522,858	1,817,064,412	1,875,368,357	1,848,663,953	1,876,170,696	1,884,607,709	1,981,915,248	2,043,208,023	2,378,779,026	2,422,634,291	2,958,883,309	3,238,292,518	3,438,628,210
Orange.....	926,654,246	987,769,036	1,017,355,198	1,058,416,058	1,175,757,132	1,422,221,938	1,476,943,491	1,567,807,425	1,726,191,488	1,765,771,319	1,923,461,091	1,955,949,743	2,149,246,638	2,482,070,449	2,788,217,449
Pamlico.....	63,136,239	60,098,820	67,630,142	65,378,484	65,323,398	69,613,016	76,249,732	80,432,280	87,845,138	91,470,804	102,648,538	102,494,943	126,748,112	141,312,450	152,237,662
Pasquotank.....	366,059,597	362,760,685	366,958,373	391,643,663	430,289,252	381,438,721	403,989,681	452,153,218	477,153,630	474,566,687	526,137,151	563,033,468	674,842,600	727,665,753	775,510,340
Pender.....	217,794,180	243,046,719	263,642,919	286,409,398	294,332,860	313,074,552	359,173,557	403,279,198	455,211,821	487,561,227	552,770,300	582,065,651	752,628,521	873,643,738	958,583,497
Perquimans.....	36,055,807	41,252,194	41,614,880	42,395,352	46,836,157	50,792,415	53,510,342	60,797,932	68,696,366	59,453,287	64,548,521	76,862,342	98,563,743	107,219,610	110,760,245
Person.....	249,868,842	237,649,499	241,928,067	264,587,934	255,022,405	269,547,787	282,345,552	295,455,471	312,556,982	334,128,586	360,230,181	356,965,787	426,965,433	477,721,181	516,845,324
Pitt.....	1,399,853,185	1,646,586,461	1,763,283,579	1,817,942,598	1,846,032,936	1,851,120,121	2,021,702,242	2,146,289,368	2,330,715,251	2,355,644,120	2,457,257,762	2,551,848,073	2,929,521,574	3,225,920,776	3,447,179,236
Polk.....	64,258,284	78,536,847	78,322,874	82,759,130	83,701,243	95,839,869	113,499,877	122,013,129	133,161,040	147,177,296	180,593,496	160,115,625	212,404,689	243,516,855	262,615,737
Randolph.....	738,027,142	760,370,545	837,190,250	862,773,395	859,980,550	876,631,590	932,298,537	1,039,470,412	1,141,530,605	1,159,789,824	1,233,418,037	1,284,914,078	1,529,220,120	1,738,386,528	2,041,735,380
Randolph.....	259,981,351	286,548,286	291,367,239	317,536,062	295,340,084	288,416,189	334,218,053	357,250,304	381,701,118	384,016,279	404,209,069	412,861,476	502,438,044	523,185,142	563,704,088
Robeson.....	706,875,459	751,805,952	783,055,223	835,941,100	842,155,118	857,451,639	925,722,261	997,980,361	1,056,278,780	1,051,786,751	1,148,594,356	1,135,380,656	1,382,411,700	1,418,485,659	1,535,184,239
Rockingham.....	490,435,682	525,837,123	550,150,383	581,701,778	553,367,632	560,719,790	599,889,640	623,152,389	668,866,594	667,505,894	744,857,140	780,823,080	949,050,485	1,134,503,952	1,261,863,855
Rowan.....	739,262,679	820,836,291	920,565,043	975,239,011	941,331,657	1,002,346,581	1,100,048,946	1,166,662,819	1,283,409,334	1,298,728,129	1,464,293,243	1,492,454,595	1,716,383,069	1,982,286,982	2,224,934,440
Rutherford.....	378,481,817	455,993,741	455,142,754	529,910,354	449,728,791	449,951,605	458,571,505	518,663,223	603,492,398	569,748,269	656,579,804	669,475,063	812,150,872	892,785,295	943,019,864
Sampson.....	277,599,642	333,868,899	351,460,317	374,151,086	368,012,673	380,454,970	414,253,833	455,902,149	476,161,867	465,991,677	499,540,007	520,303,168	610,213,503	663,019,704	738,408,738
Scotland.....	249,872,724	250,371,029	237,641,197	241,813,048	233,585,340	241,054,835	251,929,157	266,860,665	295,719,666	319,629,697	322,920,394	320,118,181	399,369,885	425,853,636	435,075,971
Stanly.....	450,132,309	419,411,542	424,512,833	428,662,909	440,842,258	439,232,678	467,265,254	516,303,810	562,664,942	584,446,767	646,164,449	729,693,952	884,421,230	1,014,044,930	1,078,921,899
Stokes.....	124,954,131	142,467,728	149,401,022	155,523,302	162,966,174	167,399,343	175,719,797	202,701,209	225,771,149	247,258,123	258,485,410	283,016,386	340,215,136	379,011,842	416,842,186
Surry.....	628,813,121	682,998,365	699,984,179	707,477,045	725,513,765	741,245,474	781,623,339	829,841,645	889,102,484	889,933,739	947,459,538	982,290,119	1,144,299,997	1,283,374,367	1,373,069,281
Swain.....	76,867,665	94,250,088	89,998,464	93,184,299	90,696,809	93,315,595	105,033,670	123,806,048	137,618,723	143,401,597	144,556,774	162,321,371	215,698,038	243,193,261	258,753,890
Transylvania.....	244,217,577	226,619,021	229,029,669	231,744,884	247,935,128	251,529,789	274,634,123	298,920,589	329,465,560	343,409,107	377,120,611	397,557,985	502,322,418	563,536,108	605,529,611
Tyrrell.....	11,431,046	15,244,920	14,157,963	17,758,634	18,128,519	18,986,901	18,432,369	21,170,151	21,231,676	25,369,782	23,086,839	23,240,616	29,830,610	33,059,983	33,728,767
Union.....	1,162,890,543	1,076,852,195	1,122,433,771	1,197,951,434	1,321,781,178	1,460,830,264	1,610,426,785	1,799,712,318	2,018,468,268	2,068,107,653	2,191,524,187	2,326,821,755	2,869,555,497	3,381,460,607	3,652,424,218
Vance.....	311,212,307	362,911,094	345,642,236	363,236,147	353,364,450	367,722,539	383,759,334	417,768,054	436,321,025	427,658,094	450,255,576	468,509,973	669,783,445	672,984,455	634,775,462
Wake.....	10,378,048,804	9,949,833,702	10,208,890,575	10,850,823,393	11,411,806,624	12,076,260,772	13,296,228,987	14,319,129,427	15,964,857,939	18,273,741,182	19,711,357,427	20,128,769,992	22,643,614,157	26,567,203,523	29,468,896,469
Warren.....	51,161,396	56,345,520	60,886,164	68,481,661	67,851,428	67,202,157	68,170,385	73,027,114	77,679,973	81,411,447	86,910,829	95,800,259	132,344,206	145,892,439	153,411,576
Washington.....	53,622,428	64,628,577	70,073,664	71,404,074	69,225,957	71,646,309	72,006,042	72,803,309	122,557,741	103,229,253	86,188,944	86,922,215	101,778,063	103,243,299	107,201,579
Watauga.....	613,875,789	606,519,777	611,846,387	629,686,939	633,572,655	682,189,368	725,223,019	774,529,812	850,798,900	871,741,338	924,948,419	957,997,993	1,153,556,979	1,331,758,260	1,428,322,072
Wayne.....	956,525,116	857,517,872	902,226,600	1,020,586,270	976,874,673	977,187,991	1,049,446,644	1,099,388,616	1,168,988,412	1,173,773,388	1,272,207,698	1,343,525,440	1,537,224,839	1,656,881,170	1,755,660,674
Wilkes.....	378,916,187	414,520,173	432,657,505	478,40											

TABLE 37A. -Continued

Data are by-product data compiled during the processing of forms and remittances filed by taxpayers required to register for, collect, and remit sales and use taxes, and are classified according to the business classification code assigned during the sales and use tax business registration process.

Amounts shown are taxable sales computed from tax remittances processed by the Department of Revenue for the July-June period of each designated fiscal year. Taxable retail sales derived from utility services are not tabulated by county and are not included.

Changes in general sales tax rate:

Effective October 16, 2001, the rate increased from 4% to 4.5%; effective December 1, 2006, the rate decreased to 4.25%; effective October 1, 2008, the rate increased to 4.5%; effective September 1, 2009, the rate increased from 4.5% to 5.5%; effective October 1, 2009, the rate increased to 5.75%; effective July 1, 2011, the State general rate decreased from 5.75% to 4.75% as result of the expiration of a temporary additional 1% State sales and use tax rate that had been in effect since September 1, 2009.

Changes in sales tax rate applicable to purchases of food for home consumption:

Effective January 1, 1997, the State rate applicable to food purchased for home consumption was reduced from 4% to 3%.

Effective July 1, 1998, the State rate applicable to food purchased for home consumption was reduced from 3% to 2%.

Effective May 1, 1999, the 2% State rate applicable to food purchased for home consumption was repealed.

Effective July 1, 2003, all sales of soft drinks (fountain, those sold for home consumption, and vending) were made subject to both the State and local rates. [Prior to this date, soft drinks sold for home consumption were not taxable at the State level.]

Effective January 1, 2004, sales of closed container soft drinks sold through vending machines were made subject to a partial exemption; only fifty percent (50%) of the sales price of closed container soft drinks sold through vending machines is taxable and subject to both the State and local rates under § 105-164.13(50). Effective January 1, 2004, candy was exempted from the State tax and subject to only the 2% local tax. [Candy sold through vending machines is taxed at fifty percent (50%) of the sales price and is subject to both the State and local rates under § 105-164.13(50).] Effective October 1, 2005, all sales of candy are subject to the combined State and local tax rate (taxation of candy sold through vending machines remains unchanged).

Effective October 1, 2007, bakery thrift store sales of breads, rolls, and buns became exempt from the State sales tax.

Effective January 1, 2009, bakery items sold without eating utensils by an artisan bakery were exempted from the State sales tax.

Effective July 1, 2014, the State general rate applies to the retail sale of breads, rolls, and buns at a bakery thrift store.

Changes in State 1% and 3% rates in 2005-06 and 2015-16:

Effective January 1, 2006, sales of railway cars, locomotives, and mobile classrooms and offices became taxable at the general State rate and applicable local rates (previously taxed at the State 3% rate with a \$1,500 maximum tax per article).

Various farm items and fuel used for farming and commercial laundry operations were exempted from taxation (previously taxed at the 1% State sales tax rate). Additionally, various types of machinery (farm, telephone company property, laundry, freezer plant, and broadcasting) and various types of equipment (tobacco, air courier, and flight training) along with farm storage facilities and farm containers were exempted from the 1% State rate with an \$80 maximum tax per article. Concurrently, manufacturing machinery and fuel and qualifying recycling facility equipment were exempted from the State sales tax and made subject to the new privilege tax levied under Article 5F (refer to Table 45).

Effective July 1, 2006, sales of certain commercial logging machinery and related attachments, repair parts, lubricants, and fuel used to operate logging machinery were exempted from taxation (items were previously subject to the 1% sales or use tax or 1% privilege tax as appropriate.)

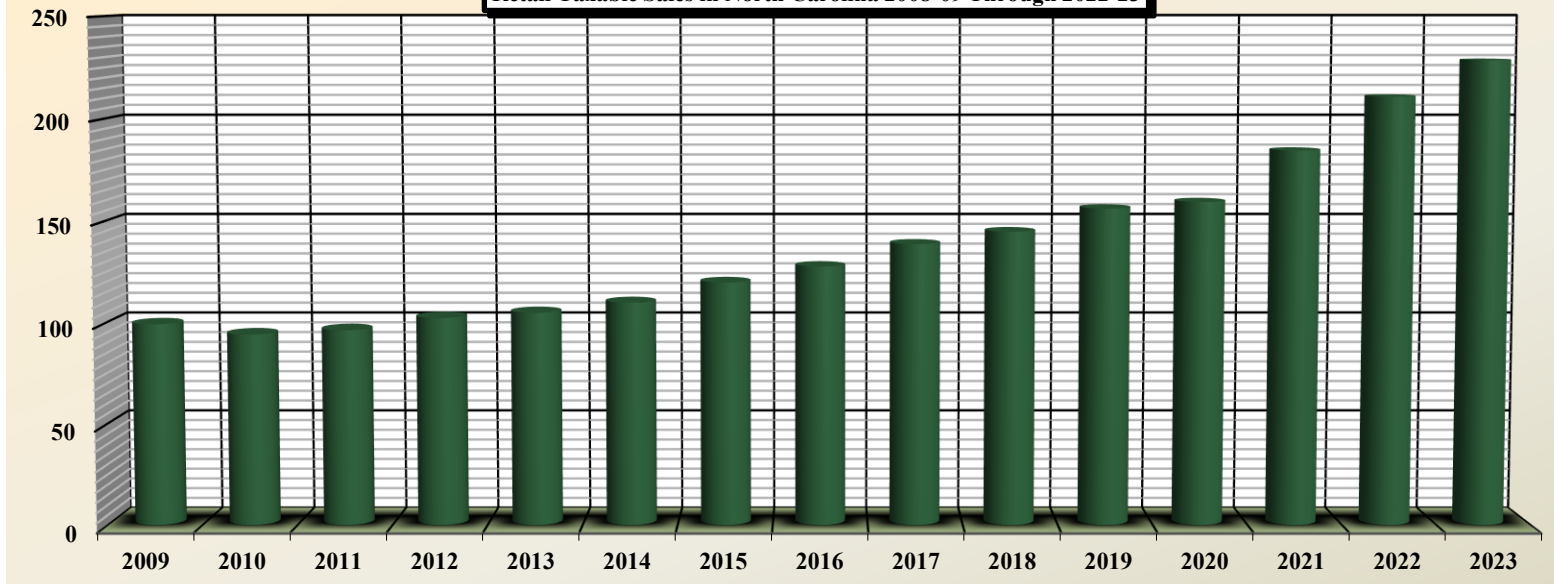
Effective October 1, 2015, the sales price of an aircraft sold at retail is subject to the 4.75% general State rate of tax (previously 3% State rate) with a maximum tax per article of \$2,500 (previously \$1,500).

Changes in State 2% and 2.5% rates in 2003-04 and 2013-14:

Effective January 1, 2014, the State general rate applies to the sales price (fifty percent [50%] of the sales price effective September 1, 2014) of each manufactured or modular home sold at retail, including all accessories attached to the home when delivered to the purchaser (previously, manufactured homes were subject to a preferential 2% State tax rate with a \$300 maximum tax per section; modular homes were subject to a preferential 2.5% State tax rate effective January 1, 2004 through December 31, 2013 (prior to January 1, 2004, modular homes received similar tax treatment as manufactured homes).

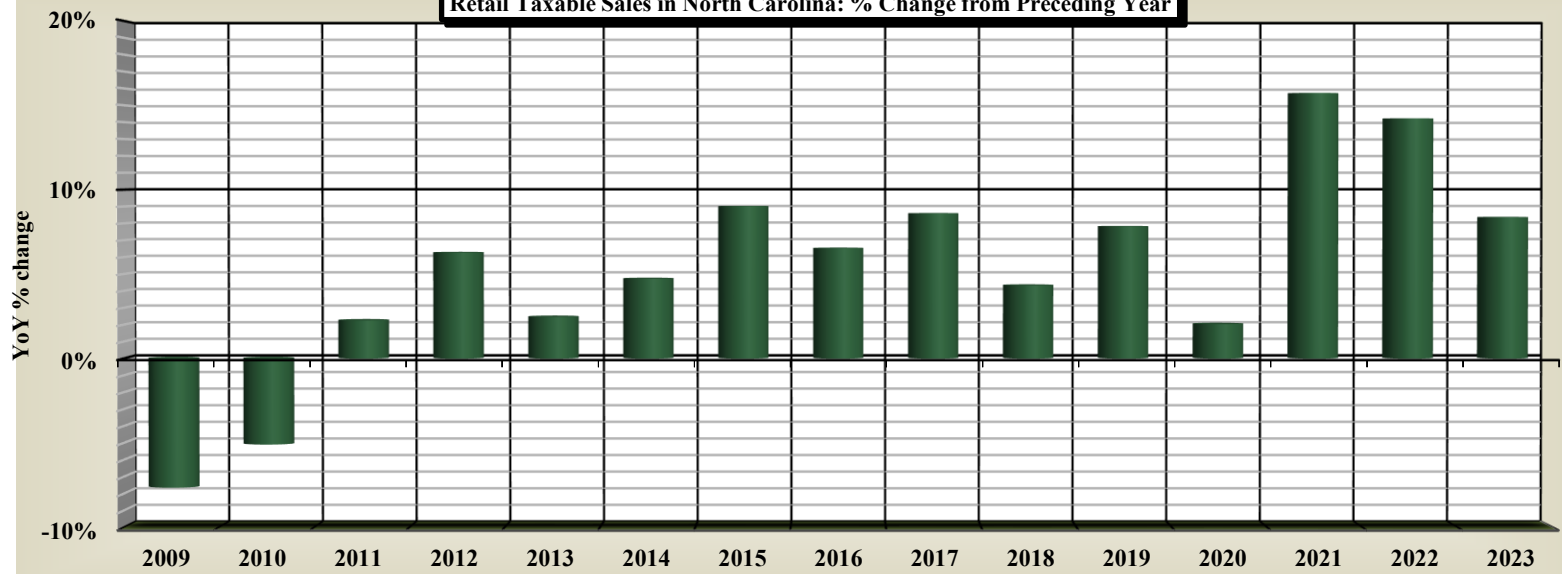
(\$ billions)

Figure 37A.1
Retail Taxable Sales in North Carolina 2008-09 Through 2022-23



FYE

Figure 37A.2
Retail Taxable Sales in North Carolina: % Change from Preceding Year



FYE

Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020; this action effectively resulted in a shifting of the receipt of certain tax collections from fiscal year 2019-2020 to fiscal year 2020-2021.

TABLE 37B. STATE SALES AND USE TAX: YEAR OVER YEAR PERCENT CHANGE IN RETAIL TAXABLE SALES BY COUNTY

County	Year-over-year % change														County	Year-over-year % change															
	09/08	10/09	11/10	12/11	13/12	14/13	15/14	16/15	17/16	18/17	19/18	20/19	21/20	22/21		23/22	09/08	10/09	11/10	12/11	13/12	14/13	15/14	16/15	17/16	18/17	19/18	20/19	21/20	22/21	23/22
Alamance.....	-2.0%	-4.6%	10.9%	9.1%	0.8%	9.4%	9.9%	9.2%	5.5%	4.6%	6.6%	0.6%	21.4%	9.3%	3.9%	Johnston.....	-5.8%	8.3%	3.1%	5.9%	3.5%	4.5%	9.3%	6.5%	12.5%	5.6%	12.6%	1.2%	19.3%	17.6%	5.5%
Alexander.....	-5.4%	24.3%	6.7%	9.9%	0.4%	-0.1%	5.5%	8.0%	8.1%	5.8%	8.5%	10.3%	26.7%	9.1%	6.8%	Jones.....	-3.1%	25.7%	-2.2%	13.0%	-12.3%	2.4%	-2.4%	3.3%	37.6%	13.8%	19.1%	-4.2%	24.3%	4.5%	5.3%
Alleghany.....	-16.9%	-4.2%	7.6%	-0.7%	-5.9%	5.4%	6.2%	2.4%	8.9%	3.7%	10.1%	9.7%	26.0%	9.1%	19.7%	Lee.....	-7.7%	-0.4%	11.4%	8.3%	-0.6%	-0.6%	5.4%	10.3%	10.6%	2.1%	7.0%	2.9%	21.9%	10.5%	7.7%
Anson.....	-2.4%	5.3%	4.7%	4.3%	1.4%	8.4%	1.7%	10.1%	8.2%	1.3%	5.7%	2.5%	17.4%	9.4%	7.4%	Lenoir.....	-5.6%	1.0%	-0.1%	6.7%	-3.5%	1.4%	-0.3%	4.9%	6.8%	4.0%	7.6%	1.2%	14.2%	6.9%	4.2%
Ash.....	-6.1%	4.5%	4.7%	4.1%	-3.2%	2.7%	9.0%	13.1%	11.1%	2.7%	10.9%	7.4%	20.9%	6.0%	12.4%	Lincoln.....	-5.8%	1.6%	1.1%	5.1%	1.6%	8.6%	12.1%	8.2%	16.9%	5.1%	17.0%	11.1%	24.3%	12.1%	7.3%
Avery.....	-13.7%	13.3%	1.7%	-0.9%	1.7%	6.6%	10.3%	7.1%	9.7%	7.7%	13.6%	7.5%	32.8%	14.1%	6.4%	Macon.....	-11.3%	-4.9%	-0.4%	3.8%	4.5%	2.7%	7.2%	6.3%	12.7%	4.7%	6.0%	2.7%	26.7%	17.0%	13.0%
Beaufort.....	-4.5%	4.2%	0.7%	8.9%	-5.1%	-2.2%	15.7%	0.2%	4.0%	3.1%	13.2%	1.4%	18.2%	13.0%	6.2%	Madison.....	-1.0%	28.5%	1.3%	5.8%	3.9%	1.5%	7.6%	12.5%	9.2%	5.2%	9.1%	12.5%	41.0%	16.0%	11.6%
Bertie.....	0.0%	59.7%	5.3%	4.2%	8.5%	3.9%	9.6%	2.3%	4.7%	8.6%	-6.4%	5.8%	28.1%	10.1%	7.4%	Martin.....	7.9%	6.2%	1.1%	9.9%	-5.5%	0.0%	3.0%	0.4%	4.8%	1.7%	4.6%	0.7%	20.0%	0.8%	9.1%
Bladen.....	1.5%	35.2%	3.7%	7.3%	3.5%	1.8%	1.4%	3.0%	8.8%	6.6%	-2.2%	0.8%	23.0%	2.1%	13.6%	McDowell.....	-2.7%	3.2%	1.8%	13.2%	-3.5%	7.4%	5.2%	4.0%	9.5%	0.8%	12.5%	6.7%	18.1%	8.3%	6.0%
Brunswick.....	-4.4%	5.2%	4.0%	6.7%	7.1%	7.8%	10.1%	7.7%	11.6%	6.6%	9.8%	6.0%	27.7%	20.1%	11.2%	Mecklenburg.....	-12.0%	6.3%	3.2%	8.5%	4.8%	5.6%	11.4%	7.3%	8.3%	4.4%	7.2%	-0.2%	9.9%	18.8%	10.0%
Buncombe.....	-8.8%	-1.4%	5.8%	5.9%	9.8%	4.3%	13.6%	9.3%	9.1%	5.9%	5.8%	-4.6%	12.2%	18.7%	5.4%	Mitchell.....	0.1%	-0.8%	3.9%	6.4%	-6.0%	3.8%	0.5%	2.0%	7.1%	4.5%	2.0%	0.8%	15.8%	10.6%	11.2%
Burke.....	-5.9%	10.2%	5.4%	2.6%	5.2%	6.0%	6.7%	7.5%	4.9%	4.6%	8.5%	2.6%	22.9%	10.7%	6.2%	Montgomery.....	-6.9%	15.0%	-1.8%	4.8%	7.5%	2.7%	9.2%	8.2%	4.1%	13.3%	12.7%	3.3%	17.6%	13.4%	2.6%
Cabarrus.....	-2.0%	10.0%	2.8%	11.6%	6.3%	6.1%	9.6%	9.0%	8.7%	3.0%	6.4%	-1.7%	20.2%	13.3%	10.1%	Moore.....	-7.6%	14.2%	5.2%	3.8%	2.9%	5.0%	6.9%	6.0%	9.5%	1.5%	8.6%	8.5%	22.8%	16.6%	7.0%
Caldwell.....	-1.6%	-0.2%	2.4%	8.0%	-3.1%	5.3%	13.4%	2.0%	-0.5%	2.4%	9.0%	5.7%	21.1%	9.0%	9.0%	Nash.....	-7.3%	6.3%	-0.1%	4.4%	-3.4%	0.4%	4.8%	7.2%	6.1%	4.0%	4.4%	-2.6%	17.8%	15.8%	13.2%
Camden.....	-14.8%	39.1%	11.1%	-1.5%	-1.5%	-3.2%	-1.3%	12.3%	-6.4%	4.2%	6.3%	16.6%	27.0%	12.5%	12.4%	New Hanover.....	-9.8%	1.8%	8.8%	10.9%	3.0%	4.0%	11.0%	7.3%	8.9%	2.1%	13.2%	-1.0%	14.3%	16.2%	7.5%
Carteret.....	-3.6%	1.5%	0.0%	7.0%	-1.1%	6.2%	7.6%	6.4%	7.2%	5.7%	13.6%	-0.7%	20.7%	12.0%	6.3%	Northampton.....	-9.3%	61.9%	6.1%	5.9%	19.3%	-7.2%	4.5%	20.2%	-1.2%	22.2%	6.6%	-4.8%	27.9%	-2.8%	15.6%
Caswell.....	-2.3%	44.4%	15.3%	17.2%	-12.4%	4.5%	9.9%	0.8%	6.8%	16.6%	0.3%	4.5%	29.1%	14.9%	11.5%	Onslow.....	5.2%	16.5%	8.3%	10.8%	3.2%	-1.4%	1.5%	0.4%	5.2%	3.1%	16.4%	1.8%	22.1%	9.4%	6.2%
Catawba.....	-10.0%	0.3%	3.4%	2.6%	-0.6%	3.3%	8.3%	8.1%	9.2%	2.4%	4.3%	0.7%	15.9%	13.2%	7.3%	Orange.....	-4.6%	6.6%	3.0%	4.0%	11.1%	21.0%	3.8%	6.2%	10.1%	2.3%	8.9%	1.7%	9.9%	15.5%	12.3%
Chatham.....	-6.5%	18.7%	6.3%	3.5%	4.7%	7.7%	12.6%	13.1%	7.7%	3.8%	8.4%	12.1%	28.5%	20.2%	14.1%	Pamlico.....	2.6%	-4.8%	12.5%	-3.3%	-0.1%	6.6%	9.5%	5.5%	9.2%	4.1%	12.2%	-0.1%	23.7%	11.5%	7.7%
Cherokee.....	-5.0%	-12.1%	0.3%	1.8%	-1.6%	1.8%	10.1%	8.0%	11.7%	7.1%	8.0%	4.2%	26.8%	12.9%	5.2%	Pasquotank.....	-5.1%	-0.9%	1.2%	6.7%	9.9%	-11.4%	5.9%	11.9%	5.5%	-0.5%	10.9%	7.0%	19.9%	7.8%	6.6%
Chowan.....	-9.6%	27.3%	4.6%	4.8%	-1.2%	4.5%	1.9%	12.7%	4.8%	3.2%	8.3%	1.8%	20.1%	14.4%	5.3%	Pender.....	-9.9%	11.6%	8.5%	8.6%	2.8%	6.4%	14.7%	12.3%	12.9%	7.1%	13.4%	5.3%	29.3%	16.1%	9.7%
Clay.....	-9.4%	17.3%	-3.2%	3.6%	-1.1%	10.8%	4.0%	6.0%	-2.6%	10.2%	11.7%	15.6%	31.5%	12.8%	5.6%	Perquimans.....	-21.2%	14.4%	0.9%	1.9%	10.5%	8.4%	5.4%	13.6%	13.0%	-13.5%	8.6%	19.1%	28.2%	8.8%	3.3%
Cleveland.....	0.6%	-9.8%	10.7%	8.3%	0.7%	-1.2%	14.5%	1.8%	14.3%	10.5%	1.2%	-4.4%	20.3%	12.6%	10.4%	Person.....	-5.4%	-4.9%	1.8%	9.4%	-3.6%	5.7%	4.7%	4.6%	5.8%	6.9%	7.8%	-0.9%	19.6%	11.9%	8.2%
Columbus.....	-0.2%	-0.7%	1.4%	2.3%	5.1%	1.4%	0.8%	4.4%	10.3%	4.4%	4.0%	0.8%	21.8%	6.3%	7.2%	Pitt.....	-6.5%	17.6%	7.1%	3.1%	1.5%	0.3%	9.2%	6.2%	8.6%	1.1%	4.3%	3.8%	14.8%	10.1%	6.9%
Craven.....	5.1%	4.0%	-2.9%	8.7%	-3.2%	-0.3%	6.9%	8.0%	6.3%	2.4%	16.8%	0.2%	16.0%	10.6%	7.2%	Polk.....	-13.0%	22.2%	-0.3%	5.7%	1.1%	14.5%	18.4%	7.5%	9.1%	10.5%	22.7%	-11.3%	32.7%	14.6%	7.8%
Cumberland.....	3.4%	13.9%	4.2%	4.6%	0.8%	-1.4%	5.2%	4.2%	5.0%	0.2%	6.7%	0.3%	21.0%	9.6%	6.5%	Randolph.....	-0.3%	3.0%	10.1%	3.1%	-0.3%	1.9%	6.4%	11.5%	9.8%	1.6%	6.3%	4.2%	19.0%	13.7%	17.5%
Currituck.....	-2.1%	40.8%	4.3%	13.3%	4.8%	1.5%	3.6%	4.6%	7.7%	8.7%	4.9%	5.5%	33.0%	12.2%	6.8%	Richmond.....	-2.0%	10.2%	1.7%	9.0%	-7.0%	-2.3%	15.9%	6.9%	6.8%	0.6%	5.3%	2.1%	21.7%	4.1%	7.7%
Dare.....	-1.4%	-10.1%	4.4%	5.5%	2.7%	2.0%	5.2%	5.8%	9.7%	4.6%	3.1%	-2.4%	31.7%	12.5%	3.5%	Robeson.....	3.1%	6.4%	4.2%	6.8%	0.7%	1.8%	8.0%	7.8%	5.8%	-0.4%	9.2%	-1.2%	21.8%	2.6%	8.2%
Davidson.....	-5.3%	-5.2%	3.3%	7.0%	-0.5%	3.5%	14.9%	9.5%	7.9%	2.4%	11.2%	8.1%	18.8%	11.2%	11.3%	Rockingham.....	3.1%	7.2%	4.6%	5.7%	-4.9%	1.3%	7.0%	3.9%	7.3%	-0.2%	11.6%	4.8%	21.5%	19.5%	11.2%
Davie.....	0.1%	1.6%	-1.3%	5.8%	17.0%	8.8%	2.4%	4.4%	9.6%	-0.8%	13.9%	8.0%	20.5%	7.8%	12.7%	Rowan.....	-4.8%	11.0%	12.1%	5.9%	-3.5%	6.5%	9.7%	6.1%	10.0%	1.2%	12.7%	1.9%	15.0%	15.5%	12.2%
Duplin.....	4.3%	8.8%	7.0%	8.3%	6.4%	0.5%	1.7%	7.5%	10.4%	-1.7%	14.1%	0.3%	17.5%	7.9%	6.8%	Rutherford.....	-1.1%	10.8%	-0.2%	16.4%	-15.1%	0.0%	1.9%	13.1%	16.4%	-5.6%	15.2%	2.0%	21.3%	9.9%	5.6%
Durham.....	-2.0%	10.8%	3.5%	6.5%	10.6%	12.2%	10.8%	5.9%	6.6%	4.5%	8.0%	0.5%	10.3%	17.0%	5.8%	Sampson.....	-6.3%	14.3%	5.3%	6.5%	-1.6%	3.4%	8.9%	10.1%	4.4%	-2.1%	7.2%	4.2%	17.3%	8.7%	11.4%
Edgecombe.....	0.2%	-4.1%	7.3%	7.9%	-8.2%	7.6%	0.2%	2.6%	7.6%	1.2%	20.7%	50.0%	-4.9%	-6.7%	0.8%	Scotland.....	-1.9%	-2.4%	-5.1%	1.8%	-3.4%	3.2%	4.5%	5.9%	10.8%	8.1%	1.0%	-0.9%	24.8%	6.6%	2.2%
Forsyth.....	-9.1%	-3.2%	5.2%	5.1%	-0.8%	2.4%	8.7%	8.0%	8.9%	0.2%	6.9%	-0.3%	21.7%	12.8%	5.9%	Stanly.....	-4.1%	-5.3%	1.2%	1.0%	2.8%	-0.4%	6.4%	10.5%	9.0%	3.9%	10.6%	12.9%	21.2%	14.7%	6.4%
Franklin.....	-10.6%	-8.9%	2.3%	10.0%	3.5%	5.4%	11.5%	10.5%	10.6%	5.3%	8.3%	11.2%	31.3%	15.6%	11.0%	Stokes.....	0.7%	7.9%	4.9%	4.1%	4.8%	2.7%	5.0%	15.4%	11.4%	9.5%	4.5%	9.5%	20.2%	11.4%	10.0%
Gaston.....	-4.6%	1.8%	3.7%	9.6%	-2.3%	3.0%	9.9%	8.0%	8.4%	3.6%	12.3%	7.6%	19.7%	15.1%	9.9%	Surry.....	0.0%	6.0%	2.5%	1.1%	2.5%	2.2%	5.4%	6.2%	7.1%	0.1%	6.5%	3.7%	16.5%	12.2%	7.0%
Gates.....	2.6%	45.4%	2.0%	6.7%	9.6%	6.7%	6.6%	6.5%	9.6%	3.3%	6.2%	11.9%	32.1%	3.6%	1.2%	Swain.....	-0.2%	14.8%	-4.5%	3.5%	-2.7%	2.9%	12.6%	17.9%	11.2%	4.2%	0.8%	12.3%	32.9%	12.7%	6.4%
Graham.....	-10.6%	11.1%	1.9%	11.7%	7.2%	-2.1%	1.8%	10.1%	20.1%	0.2%	5.7%	12.3%	28.4%	12.9%	1.2%	Transylvania.....	-11.3%	-9.3%	1.1%	1.2%	7.0%	1.4%	9.2%	8.8%	10.2%	4.2%	9.8%	5.4%	26.4%	12.2%	7.5%
Granville.....	1.7%	13.5%	0.5%	5.5%	3.6%	5.4%	12.4%	4.4%	10.8%	-0.5%	7.1%	7.6%	18.3%	9.6%	9.9%	Tyrrell.....	-6.4%	27.7%	-7.1%	25.4%	2.1%	4.7%	-2.9%	14.9%	0.3%	19.5%	-9.0%	0.7%	28.4%	10.8%	2.0%
Greene.....	-5.5%	24.7%	6.1%	13.6%	-6.7%	5.1%	7.5%	6.8%	-1.4%	5.7%	9.8%	15.9%	20.8%	8.1%	9.0%	Union.....	-3.1%	-7.9%	4.2%	6.7%	10.3%	10.5%	10.2%	11.8%	12.2%	2.5%	6.0%	6.2%	23.3%	17.8%	8.0%
Guilford.....	-8.0%	-10.0%	6.5%	5.2%	0.1%	4.0%	9.9%	4.0%	9.6%	1.1%	6.8%	-1.4%	11.7%	15.4%	7.7%	Vance.....	-2.4%	11.9%	-4.8%	5.1%	-2.7%	4.1%	4.4%	8.9%	4.4%	-2.0%	5.3%	4.1%	43.0%	0.5%	-5.7%
Halifax.....	2.7%	6.1%	1.3%	10.3%	0.1%	3.8%	6.6%	1.9%	7.5%	4.7%	12.1%	-8.9%	17.2%	7.0%	7.1%	Wake.....	-8.5%	-4.8%	2.6%	6.3%	5.2%	5.8%	10.1%	7.7%	11.5%	14.5%	7.9%	2.1%	12.5%	17.3%	10.9%
Harnett.....	-2.8%	5.4%	4.1%	5.2%	4.4%	4.5%	14.6%	11.1%	10.0%	5.1%	6.6%	9.5%	24.9%	11.2%	9.9%	Warren.....	-6.5%	1.0%	8.1%	12.5%	-0.9%	-1.0%	1.4%	7.1%	6.4%	4.8%	6.8%	10.2%	38.1%	10.2%	5.2%
Haywood.....	-10.9%	6.1%	-0.3%	4.3%	3.7%	0.9%	11.6%	6.0%	5.8%	3.0%	6.8%	5.7%	22.6%	11.4%	8.0%	Washington.....	8.0%	12.5%	8.4%	1.9%	-3.1%	3.5%	0.5%	1.1%	68.3%	-15.8%	-16.5%	0.9%	17.1%	1.4%	3.8%
Henderson.....	-7.8%	-0.5%	1.7%	2.2%	9.4%	2.5																									

TABLE 38. A COUNTY COMPARISON OF STATE SALES AND USE TAX GROSS COLLECTIONS FOR 2008-2009 AND 2022-2023

[RANK, CONTRIBUTION PERCENTAGE, AND OVERALL GROWTH]

Fiscal year 2008-2009						Fiscal year 2022-2023							
County	Rank	% of total	County	Rank	% of total	County	Rank	% of total	% change 23/09	County	Rank	% of total	% change 23/09
Alamance.....	12	1.47%	Johnston.....	18	1.05%	Alamance.....	13	1.56%	168.10%	Johnston.....	18	1.35%	223.76%
Alexander.....	78	0.11%	Jones.....	98	0.02%	Alexander.....	72	0.15%	263.97%	Jones.....	98	0.03%	229.07%
Alleghany.....	85	0.06%	Lee.....	35	0.51%	Alleghany.....	89	0.07%	167.77%	Lee.....	39	0.55%	170.68%
Anson.....	79	0.10%	Lenoir.....	39	0.47%	Anson.....	81	0.10%	148.91%	Lenoir.....	51	0.34%	82.56%
Ashe.....	69	0.17%	Lincoln.....	42	0.44%	Ashe.....	68	0.20%	194.65%	Lincoln.....	32	0.66%	275.73%
Avery.....	72	0.16%	Macon.....	46	0.38%	Avery.....	66	0.23%	265.85%	Macon.....	45	0.42%	178.60%
Beaufort.....	48	0.36%	Madison.....	86	0.06%	Beaufort.....	53	0.33%	131.17%	Madison.....	80	0.11%	383.36%
Bertie.....	93	0.04%	Martin.....	68	0.17%	Bertie.....	90	0.06%	304.64%	Martin.....	77	0.12%	83.59%
Bladen.....	75	0.12%	McDowell.....	63	0.24%	Bladen.....	74	0.14%	192.64%	McDowell.....	63	0.25%	162.51%
Brunswick.....	21	0.93%	Mecklenburg.....	1	12.75%	Brunswick.....	17	1.49%	306.82%	Mecklenburg.....	1	14.91%	194.99%
Buncombe.....	6	3.07%	Mitchell.....	74	0.12%	Buncombe.....	6	3.37%	176.92%	Mitchell.....	83	0.09%	94.44%
Burke.....	43	0.43%	Montgomery.....	77	0.11%	Burke.....	41	0.50%	191.25%	Montgomery.....	75	0.13%	216.35%
Cabarrus.....	9	1.87%	Moore.....	27	0.76%	Cabarrus.....	9	2.37%	220.47%	Moore.....	21	1.00%	231.88%
Caldwell.....	41	0.45%	Nash.....	23	0.84%	Caldwell.....	44	0.42%	137.55%	Nash.....	29	0.75%	125.55%
Camden.....	96	0.03%	New Hanover.....	8	2.63%	Camden.....	96	0.05%	246.68%	New Hanover.....	7	3.13%	200.94%
Carteret.....	25	0.81%	Northampton.....	95	0.04%	Carteret.....	26	0.83%	159.37%	Northampton.....	85	0.07%	387.59%
Caswell.....	97	0.03%	Onslow.....	15	1.33%	Caswell.....	91	0.06%	356.17%	Onslow.....	16	1.50%	185.49%
Catawba.....	10	1.69%	Orange.....	20	0.95%	Catawba.....	14	1.53%	128.70%	Orange.....	19	1.22%	223.36%
Chatham.....	54	0.29%	Pamlico.....	84	0.06%	Chatham.....	37	0.56%	383.61%	Pamlico.....	87	0.07%	160.47%
Cherokee.....	62	0.25%	Pasquotank.....	47	0.37%	Cherokee.....	65	0.23%	133.92%	Pasquotank.....	52	0.34%	128.46%
Chowan.....	81	0.07%	Pender.....	65	0.22%	Chowan.....	84	0.09%	208.51%	Pender.....	46	0.42%	377.26%
Clay.....	89	0.05%	Perquimans.....	94	0.04%	Clay.....	88	0.07%	242.01%	Perquimans.....	94	0.05%	226.98%
Cleveland.....	32	0.67%	Person.....	58	0.26%	Cleveland.....	33	0.65%	146.31%	Person.....	67	0.23%	122.44%
Columbus.....	52	0.31%	Pitt.....	14	1.43%	Columbus.....	59	0.26%	108.68%	Pitt.....	15	1.51%	165.75%
Craven.....	24	0.83%	Polk.....	83	0.07%	Craven.....	28	0.76%	131.14%	Polk.....	78	0.12%	340.14%
Cumberland.....	7	2.90%	Randolph.....	28	0.76%	Cumberland.....	8	2.68%	132.45%	Randolph.....	25	0.89%	197.64%
Currituck.....	64	0.23%	Richmond.....	56	0.27%	Currituck.....	49	0.40%	335.43%	Richmond.....	64	0.25%	134.47%
Dare.....	17	1.18%	Robeson.....	31	0.72%	Dare.....	20	1.04%	123.57%	Robeson.....	31	0.67%	134.33%
Davidson.....	22	0.88%	Rockingham.....	37	0.50%	Davidson.....	22	0.99%	185.51%	Rockingham.....	38	0.55%	178.70%
Davie.....	67	0.21%	Rowan.....	29	0.75%	Davie.....	60	0.26%	204.54%	Rowan.....	23	0.97%	225.41%
Duplin.....	61	0.25%	Rutherford.....	45	0.39%	Duplin.....	57	0.27%	169.30%	Rutherford.....	48	0.41%	169.58%
Durham.....	5	3.72%	Sampson.....	55	0.28%	Durham.....	4	4.66%	215.97%	Sampson.....	54	0.32%	187.34%
Edgecombe.....	53	0.30%	Scotland.....	59	0.25%	Edgecombe.....	61	0.25%	114.58%	Scotland.....	69	0.19%	91.78%
Forsyth.....	4	3.92%	Stanly.....	40	0.45%	Forsyth.....	5	3.64%	134.15%	Stanly.....	42	0.47%	161.82%
Franklin.....	57	0.26%	Stokes.....	73	0.13%	Franklin.....	50	0.37%	251.60%	Stokes.....	70	0.18%	258.93%
Gaston.....	13	1.44%	Surry.....	33	0.65%	Gaston.....	11	1.74%	205.37%	Surry.....	36	0.60%	134.42%
Gates.....	99	0.02%	Swain.....	80	0.08%	Gates.....	99	0.03%	319.39%	Swain.....	79	0.11%	265.51%
Graham.....	91	0.04%	Transylvania.....	60	0.25%	Graham.....	93	0.05%	231.15%	Transylvania.....	58	0.26%	167.74%
Granville.....	66	0.21%	Tyrrell.....	100	0.01%	Granville.....	62	0.25%	200.11%	Tyrrell.....	100	0.01%	221.17%
Greene.....	92	0.04%	Union.....	16	1.19%	Greene.....	92	0.05%	242.70%	Union.....	12	1.60%	237.45%
Guilford.....	3	5.73%	Vance.....	50	0.32%	Guilford.....	3	4.75%	109.36%	Vance.....	56	0.28%	119.78%
Halifax.....	49	0.35%	Wake.....	2	10.63%	Halifax.....	55	0.31%	122.80%	Wake.....	2	12.89%	205.73%
Harnett.....	38	0.48%	Warren.....	88	0.05%	Harnett.....	30	0.71%	271.39%	Warren.....	86	0.07%	222.94%
Haywood.....	36	0.50%	Washington.....	87	0.06%	Haywood.....	40	0.53%	166.86%	Washington.....	95	0.05%	114.23%
Henderson.....	26	0.80%	Watauga.....	34	0.63%	Henderson.....	24	0.93%	193.18%	Watauga.....	35	0.63%	150.91%
Hertford.....	71	0.16%	Wayne.....	19	0.97%	Hertford.....	76	0.13%	98.24%	Wayne.....	27	0.77%	98.83%
Hoke.....	82	0.07%	Wilkes.....	44	0.39%	Hoke.....	71	0.17%	488.72%	Wilkes.....	43	0.45%	193.78%
Hyde.....	90	0.04%	Wilson.....	30	0.73%	Hyde.....	97	0.04%	130.72%	Wilson.....	34	0.63%	119.25%
Iredell.....	11	1.56%	Yadkin.....	70	0.17%	Iredell.....	10	1.76%	185.50%	Yadkin.....	73	0.15%	129.16%
Jackson.....	51	0.32%	Yancey.....	76	0.11%	Jackson.....	47	0.42%	233.97%	Yancey.....	82	0.10%	119.22%
			Unallocated.....	1	14.01%					Unallocated.....	5	4.65%	-16.31%
			Statewide totals...	-	100.00%					Statewide totals...	-	100.00%	152.25%

Detail may not add to totals due to rounding.

Computations and rankings exclude tax collections derived from short-term motor vehicle leasing and the combined general rate of 7% levied on utility services. The ranking shown for the Unallocated category merely indicates its relative placement in comparison with the 100 counties and does not affect the county rankings.

TABLE 39. A COUNTY COMPARISON OF STATE RETAIL TAXABLE SALES FOR 2008-2009 AND 2022-2023

[RANK, CONTRIBUTION PERCENTAGE, AND OVERALL GROWTH]

Fiscal year 2008-2009						Fiscal year 2022-2023							
County	Rank	% of total	County	Rank	% of total	County	Rank	% of total	% change 23/09	County	Rank	% of total	% change 23/09
Alamance.....	12	1.44%	Johnston.....	18	1.04%	Alamance.....	13	1.56%	149.32%	Johnston.....	18	1.35%	197.86%
Alexander.....	78	0.10%	Jones.....	98	0.02%	Alexander.....	72	0.15%	237.12%	Jones.....	98	0.03%	207.14%
Alleghany.....	85	0.06%	Lee.....	35	0.51%	Alleghany.....	89	0.07%	148.16%	Lee.....	38	0.56%	148.76%
Anson.....	79	0.10%	Lenoir.....	39	0.46%	Anson.....	81	0.10%	131.94%	Lenoir.....	51	0.34%	69.41%
Ashe.....	69	0.16%	Lincoln.....	41	0.44%	Ashe.....	68	0.20%	172.90%	Lincoln.....	32	0.66%	244.96%
Avery.....	72	0.16%	Macon.....	46	0.37%	Avery.....	66	0.23%	239.70%	Macon.....	46	0.42%	158.36%
Beaufort.....	48	0.35%	Madison.....	86	0.05%	Beaufort.....	53	0.33%	114.58%	Madison.....	80	0.11%	352.04%
Bertie.....	93	0.04%	Martin.....	68	0.16%	Bertie.....	90	0.06%	278.39%	Martin.....	77	0.12%	71.15%
Bladen.....	75	0.12%	McDowell.....	63	0.24%	Bladen.....	74	0.14%	169.87%	McDowell.....	63	0.25%	142.53%
Brunswick.....	21	0.91%	Mecklenburg.....	1	12.52%	Brunswick.....	17	1.49%	277.31%	Mecklenburg.....	1	14.91%	173.38%
Buncombe.....	6	3.00%	Mitchell.....	74	0.12%	Buncombe.....	6	3.37%	157.17%	Mitchell.....	83	0.09%	79.52%
Burke.....	43	0.43%	Montgomery.....	77	0.11%	Burke.....	41	0.50%	168.98%	Montgomery.....	75	0.13%	190.73%
Cabarrus.....	9	1.83%	Moore.....	27	0.75%	Cabarrus.....	9	2.38%	197.99%	Moore.....	21	1.00%	206.78%
Caldwell.....	42	0.44%	Nash.....	23	0.82%	Caldwell.....	44	0.42%	120.51%	Nash.....	29	0.75%	109.30%
Camden.....	96	0.03%	New Hanover.....	8	2.58%	Camden.....	96	0.05%	212.57%	New Hanover.....	7	3.14%	179.06%
Carteret.....	25	0.80%	Northampton.....	94	0.04%	Carteret.....	26	0.84%	139.77%	Northampton.....	85	0.07%	345.49%
Caswell.....	97	0.03%	Onslow.....	15	1.30%	Caswell.....	91	0.06%	326.81%	Onslow.....	16	1.50%	164.78%
Catawba.....	10	1.66%	Orange.....	20	0.93%	Catawba.....	14	1.53%	112.01%	Orange.....	19	1.22%	200.89%
Chatham.....	54	0.29%	Pamlico.....	84	0.06%	Chatham.....	37	0.56%	348.55%	Pamlico.....	88	0.07%	141.13%
Cherokee.....	62	0.24%	Pasquotank.....	47	0.37%	Cherokee.....	65	0.23%	116.18%	Pasquotank.....	52	0.34%	111.85%
Chowan.....	81	0.07%	Pender.....	65	0.22%	Chowan.....	84	0.09%	185.60%	Pender.....	45	0.42%	340.13%
Clay.....	89	0.05%	Perquimans.....	95	0.04%	Clay.....	87	0.07%	208.81%	Perquimans.....	94	0.05%	207.19%
Cleveland.....	32	0.65%	Person.....	59	0.25%	Cleveland.....	33	0.65%	128.88%	Person.....	67	0.23%	106.85%
Columbus.....	52	0.31%	Pitt.....	14	1.40%	Columbus.....	59	0.26%	93.70%	Pitt.....	15	1.51%	146.25%
Craven.....	24	0.81%	Polk.....	83	0.06%	Craven.....	28	0.76%	114.16%	Polk.....	78	0.11%	308.69%
Cumberland.....	7	2.85%	Randolph.....	29	0.74%	Cumberland.....	8	2.67%	115.10%	Randolph.....	25	0.89%	176.65%
Currituck.....	64	0.23%	Richmond.....	56	0.26%	Currituck.....	49	0.40%	299.78%	Richmond.....	64	0.25%	116.82%
Dare.....	16	1.17%	Robeson.....	31	0.71%	Dare.....	20	1.05%	104.39%	Robeson.....	31	0.67%	117.18%
Davidson.....	22	0.86%	Rockingham.....	36	0.49%	Davidson.....	22	0.99%	165.19%	Rockingham.....	39	0.55%	157.29%
Davie.....	66	0.21%	Rowan.....	28	0.74%	Davie.....	60	0.26%	182.55%	Rowan.....	23	0.97%	200.97%
Duplin.....	60	0.25%	Rutherford.....	45	0.38%	Duplin.....	57	0.27%	147.71%	Rutherford.....	48	0.41%	149.16%
Durham.....	5	3.64%	Sampson.....	55	0.28%	Durham.....	4	4.66%	193.68%	Sampson.....	54	0.32%	166.00%
Edgecombe.....	53	0.29%	Scotland.....	58	0.25%	Edgecombe.....	61	0.25%	98.57%	Scotland.....	69	0.19%	74.12%
Forsyth.....	4	3.86%	Stanly.....	40	0.45%	Forsyth.....	5	3.64%	116.41%	Stanly.....	42	0.47%	139.69%
Franklin.....	57	0.26%	Stokes.....	73	0.13%	Franklin.....	50	0.37%	225.40%	Stokes.....	70	0.18%	233.60%
Gaston.....	13	1.41%	Surry.....	33	0.63%	Gaston.....	11	1.74%	183.89%	Surry.....	36	0.60%	118.36%
Gates.....	99	0.02%	Swain.....	80	0.08%	Gates.....	99	0.03%	291.21%	Swain.....	79	0.11%	236.62%
Graham.....	91	0.04%	Transylvania.....	61	0.24%	Graham.....	93	0.05%	207.98%	Transylvania.....	58	0.26%	147.95%
Granville.....	67	0.21%	Tyrrell.....	100	0.01%	Granville.....	62	0.25%	179.50%	Tyrrell.....	100	0.01%	195.06%
Greene.....	92	0.04%	Union.....	17	1.17%	Greene.....	92	0.05%	219.68%	Union.....	12	1.60%	214.08%
Guilford.....	3	5.61%	Vance.....	50	0.31%	Guilford.....	3	4.75%	94.47%	Vance.....	56	0.28%	103.97%
Halifax.....	49	0.34%	Wake.....	2	10.41%	Halifax.....	55	0.31%	106.42%	Wake.....	2	12.88%	183.95%
Harnett.....	38	0.49%	Warren.....	88	0.05%	Harnett.....	30	0.71%	230.50%	Warren.....	86	0.07%	199.86%
Haywood.....	37	0.49%	Washington.....	87	0.05%	Haywood.....	40	0.53%	147.70%	Washington.....	95	0.05%	99.92%
Henderson.....	26	0.78%	Watauga.....	34	0.62%	Henderson.....	24	0.92%	171.55%	Watauga.....	35	0.62%	132.67%
Hertford.....	71	0.16%	Wayne.....	19	0.96%	Hertford.....	76	0.13%	84.40%	Wayne.....	27	0.77%	83.55%
Hoke.....	82	0.07%	Wilkes.....	44	0.38%	Hoke.....	71	0.17%	448.02%	Wilkes.....	43	0.45%	173.90%
Hyde.....	90	0.04%	Wilson.....	30	0.71%	Hyde.....	97	0.04%	112.10%	Wilson.....	34	0.63%	103.29%
Iredell.....	11	1.53%	Yadkin.....	70	0.16%	Iredell.....	10	1.77%	165.23%	Yadkin.....	73	0.15%	112.87%
Jackson.....	51	0.31%	Yancey.....	76	0.11%	Jackson.....	47	0.42%	210.76%	Yancey.....	82	0.10%	102.91%
			Unallocated.....	1	15.57%					Unallocated.....	5	4.66%	-31.37%
			Statewide totals...	-	100.00%					Statewide totals...	-	100.00%	129.54%

Detail may not add to totals due to rounding.

The ranking shown for the Unallocated category merely indicates its relative placement in comparison with the 100 counties and does not affect the county rankings.

TABLE 40. NORTH CAROLINA HIGHWAY USE TAX NET COLLECTIONS
[§ 105 ARTICLE 5A.]

[Tax Revenue Generated from Motor Vehicle Retail Sales and Leases and Vehicle Subscriptions (effective 10/1/19)]

On March 10, 2020, Governor Roy Cooper signed Executive Order 116 declaring a state of emergency in response to the pandemic. The Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-21) that otherwise fell due during the fiscal year ended June 30, 2020. This action effectively resulted in a shifting of the receipt of certain tax revenues from fiscal year 2019-20 to fiscal year 2020-21.

Fiscal year	Highway Use Tax Collections										Year-over-year % change			
	Revenue generated from retail sales [3% rate]	Revenue generated from long-term lease [3% rate]†	Revenue generated from short-term lease [8%]; vehicle subscription [5%]†	Total revenue generated from all rates	Collections to Highway Trust Fund [3% rate proceeds]	Annual transfer to General Fund from Highway Trust Fund††	Net Highway Trust Fund receipts after appropriation	Annual credit to Highway Fund††† [§ 105-187.9(a) [8% and 5% proceeds]	Collections to General Fund††† [appropriation plus 8% (5%) net proceeds]	Revenue generated from retail sales at 3% rate	Revenue generated from long-term lease at 3% rate	Revenue generated from short-term lease at 8% (5%) rate†	Total revenue generated from all rates	
	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	[\$]	at 3% rate	at 3% rate	at 8% (5%) rate†	at all rates	
2008-09.....	413,752,308	27,597,594	47,714,293	489,064,195	441,349,902	147,531,245	293,818,657	-	195,245,538	-22.65%	-10.25%	-10.00%	-20.95%	
2009-10.....	416,317,237	24,166,027	43,836,892	484,320,156	440,483,265	108,561,829	331,921,436	-	152,398,721	0.62%	-12.43%	-8.13%	-0.97%	
2010-11.....	454,136,155	15,963,462	53,235,229	523,334,846	470,099,617	72,894,864	397,204,753	-	126,130,093	9.08%	-33.94%	21.44%	8.06%	
2011-12.....	489,072,183	16,624,702	55,176,488	560,873,373	505,696,885	76,720,918	428,975,967	-	131,897,406	7.69%	4.14%	3.65%	7.17%	
2012-13.....	535,345,345	19,443,463	57,372,140	612,160,948	554,788,808	27,595,861	527,192,947	-	84,968,001	9.46%	16.96%	3.98%	9.14%	
2013-14.....	574,704,729	22,650,005	61,814,982	659,169,716	597,354,734	-	597,354,734	-	61,814,982	7.35%	16.49%	7.74%	7.68%	
2014-15.....	628,466,644	23,916,454	65,776,523	718,159,621	652,383,098	-	652,383,098	-	65,776,523	9.35%	5.59%	6.41%	8.95%	
2015-16.....	700,325,903	28,799,759	73,061,051	802,186,713	729,125,662	-	729,125,662	-	73,061,051	11.43%	20.42%	11.07%	11.70%	
2016-17.....	749,679,784	34,305,511	76,395,796	860,381,091	783,985,295	-	783,985,295	-	76,395,796	7.05%	19.12%	4.56%	7.25%	
2017-18.....	758,491,450	38,607,601	78,478,830	875,577,881	797,099,051	-	797,099,051	10,000,000	68,478,830	1.18%	19.54%	2.73%	1.77%	
2018-19.....	796,594,210	42,058,987	84,437,685	923,090,882	838,653,197	-	838,653,197	10,000,000	74,437,685	5.02%	8.94%	7.59%	5.43%	
2019-20.....	799,518,561	37,952,604	74,239,400	911,710,565	837,471,165	-	837,471,165	10,000,000	64,239,400	0.37%	-9.76%	-12.08%	-1.23%	
2020-21.....	955,639,016	40,437,253	68,992,963	1,065,069,232	996,076,269	-	996,076,269	10,000,000	58,992,963	19.53%	6.55%	-7.07%	16.82%	
2021-22.....	994,282,028	34,207,690	98,377,132	1,126,866,850	1,028,489,718	-	1,028,489,718	98,377,132	-	4.04%	-15.41%	42.59%	5.80%	
2022-23.....	1,046,534,236	33,002,527	106,455,673	1,185,992,436	1,079,536,763	-	1,079,536,763	106,455,673	-	5.26%	-3.52%	8.21%	5.25%	

§ 105-187.2-§ 105-187.3:

A highway use tax is imposed on the privilege of using the highways in this State. A tax rate of 3% is applied to the retail value of a motor vehicle for which a certificate of title is issued (as of July 1, 2014, the tax also applies to any dealer administrative fee regulated by § 20-101.1). The tax does not apply to the sales price of a service contract, provided the charge for the service contract is separately stated on the bill of sale or other similar document given to the purchaser at the time of the sale.

Effective for sales made on or after January 1, 2016, the maximum tax is increased to \$2,000 (previously \$1,000) for each certificate of title issued for a Class A or Class B motor vehicle that is a commercial motor vehicle, as defined in § 20-4.01, and for each certificate of title issued for a recreational vehicle (previously, \$1,500 applied for each certificate of title issued for a recreational vehicle not subject to the \$1,000 maximum tax). [SL 2015-241, s. 29.34A.(a)]

The retail value is the sales price of the motor vehicle, including all accessories attached to the vehicle when it is delivered to the purchaser, less the amount of any allowance given by the retailer for a motor vehicle taken in trade as a full or partial payment for the purchased motor vehicle.

Historical note: Effective October 1, 1989, retail sales of motor vehicles became exempt from the 2% rate (\$300 limit) sales and use tax and became subject to the 3% rate of highway use tax with a minimum tax of \$40 and a maximum tax of \$1,000 on any one motor vehicle. The maximum tax per vehicle increased from \$1,000 to \$1,500 effective for transactions made on or after July 1, 1993. Effective October 1, 2001, the \$1,500 limit was repealed for most vehicles. [A \$1,000 maximum tax applied to Class A and Class B commercial motor vehicles; recreational vehicles that were not Class A or Class B commercial vehicles retained the \$1,500 cap.]

Payment of the highway use tax is remitted to the Commissioner of Motor Vehicles during the certificate of title application process.

§ 105-187.5 imposes an alternate tax on the privilege of using the highways in this State for those who lease or rent motor vehicles. The tax rate on the gross receipts from the short-term (less than 365 days) lease or rental of a motor vehicle is 8%; the tax rate on the gross receipts from the long-term lease or rental of a motor vehicle is 3%. The maximum tax caps applicable to retail sales on certain motor vehicles apply to a continuous lease or rental of such a motor vehicle to the same person. The alternate tax is imposed on a retailer, but is then added to the lease or rental price of a motor vehicle such that the person who leases or rents the vehicle pays the tax.

†SL 2019-69, s. 2 (effective October 1, 2019) substitutes 'limited possession commitment' for 'lease or rental' throughout this statute and sets out the types of limited possession commitment and applicable tax rates: long-term lease or rental [3%]; short-term lease or rental [8%]; and vehicle subscription [5%]. Proceeds generated from the 5% rate on vehicle subscriptions are included with proceeds generated from the 8% rate in the above table beginning with collections for fiscal year 2019-20.

The North Carolina Highway Trust Fund was established during the 1989 General Assembly to subsidize transportation improvements. The legislation directed the taxes collected during 1990-91 to be deposited in the General Fund. Thereafter, taxes generated from the 3% rate were to be deposited in the Highway Trust Fund, and beginning in 1991-92, a specified allocation would be transferred from the Highway Trust Fund to the General Fund.

††Annual transfer of funds to the General Fund from the Highway Trust Fund as provided under § 105-187.9(b)(1) and § 105-187.9(b)(2).

[Transfer provisions were repealed by SL 2010-31, s. 28.7(i), and SL 2013-183, s. 4.1, effective July 1, 2013.]

TABLE 40. -Continued

Proceeds from the 8% levy imposed on the gross receipts of motor vehicle short-term leases were deposited in the General Fund through fiscal year 2016-17.

†††SL 2017-57 provides that the sum of \$10 million of the taxes collected from the 8% tax rate imposed on the gross receipts of motor vehicle short-term leases be credited annually to the Highway Fund and the remainder credited to the General Fund (effective June 28, 2017, and applies to taxes collected on or after that date).

SL 2019-69 amends § 105-187.9(a) to provide that the sum of \$10 million of the taxes collected from the 5% levy on vehicle subscriptions (effective October 1, 2019) and from the 8% tax rate imposed on the gross receipts of motor vehicle short-term leases be credited annually to the Highway Fund and the remainder credited to the General Fund. Annual amounts credited to the Highway Fund for fiscal years 2017-18 and 2018-19 were generated from tax proceeds collected from the 8% tax rate.

SL 2021-180 amends § 105-187.9(a) to provide that taxes collected from the 5% tax rate imposed on vehicle subscriptions and the 8% tax rate imposed on the gross receipts of motor vehicle short-term leases be credited to the Highway Fund (effective with fiscal year 2021-22, the \$10 million annual cap is eliminated).

Figure 40.1 Tax Collections Generated from Motor Vehicle Sales and Leases

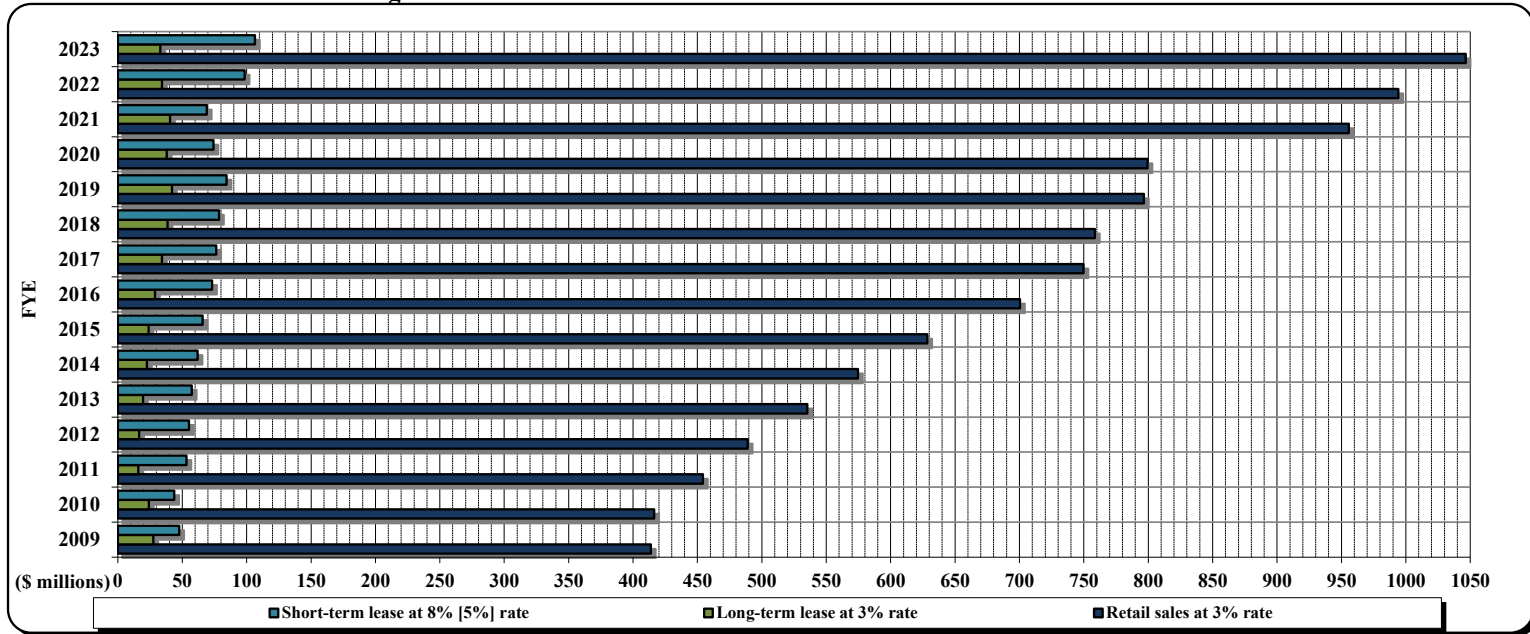
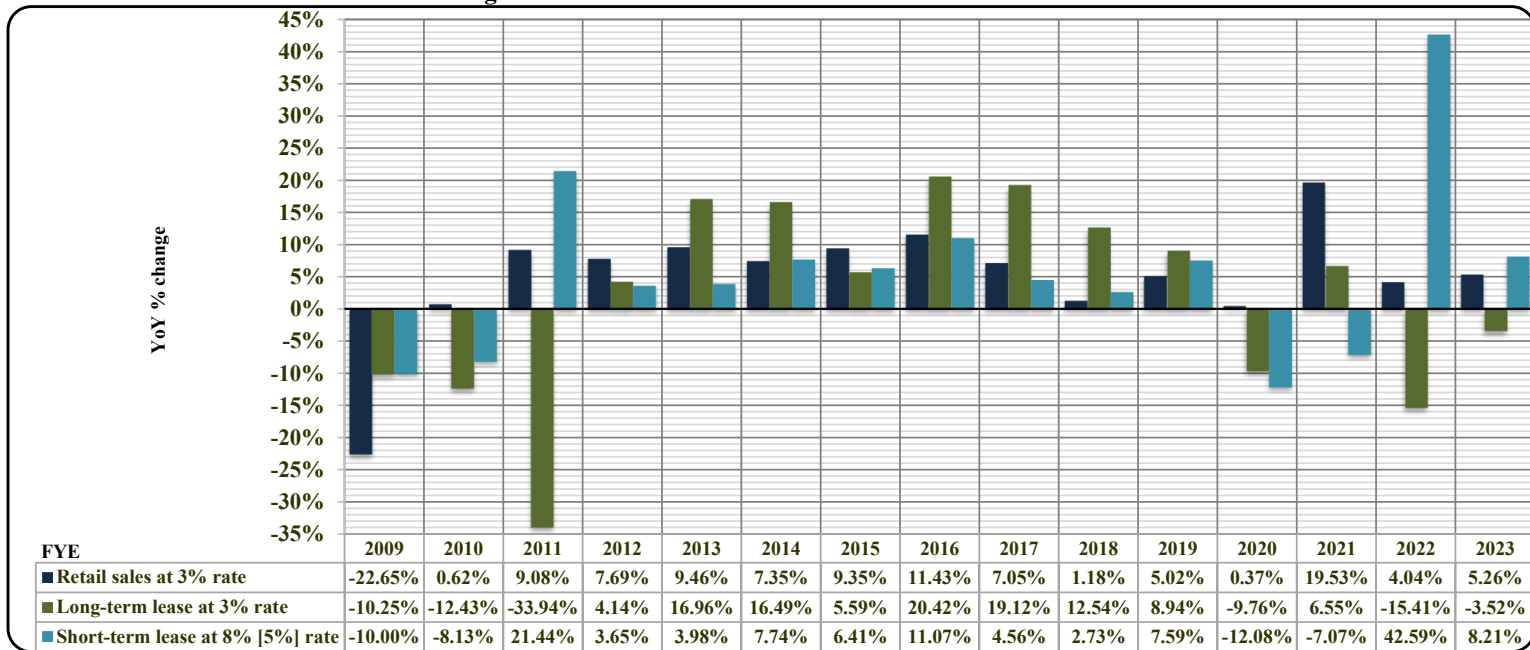


Figure 40.2 Motor Vehicle Sales and Leases: Growth Trends



Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020. This action effectively resulted in a shifting of the receipt of certain tax collections from fiscal year 2019-2020 to fiscal year 2020-2021.

TABLE 41. SCRAP TIRE DISPOSAL TAX COLLECTIONS
[§ 105 ARTICLE 5B.]

Fiscal year	Gross tax collections [S]	Refunds [S]	Net collections before transfers [S]	Distributions and Transfers										TIMS, PDP component costs SL 2009-451, s. 6.20(a) [S]
				County share [S]	General Fund† [S]	Solid Waste Management Trust Fund† [S]	Scrap Tire Disposal Account† [S]	Inactive Hazardous Sites Cleanup Fund† [S]	Bernard Allen Memorial Emergency Drinking Water Fund† [S]	Administrative costs [§105-187.19] [S]	Collection fees on overdue tax debts [§105-243.1] [S]	OSBM Civil Penalty & Forfeiture Fund [§105-236] [S]	Collection cost of fines/forfeitures [§115C-457.2] [S]	
2008-09.....	14,185,321	131,463	14,053,858	9,601,837	-	1,097,353	3,017,720	-	-	275,682	1,352	59,664	251	-
2009-10.....	14,934,867	28,817	14,906,051	10,201,287	-	1,165,861	2,477,455	364,332	364,332	261,246	2,319	68,900	318	-
2010-11.....	16,230,347	31,930	16,198,417	11,101,924	2,010,369	1,268,791	685,813	396,497	396,497	257,094	3,895	73,727	318	3,491
2011-12.....	17,165,243	28,066	17,137,177	11,776,756	2,268,989	1,345,915	591,080	420,598	420,598	250,707	2,616	59,126	243	548
2012-13.....	17,263,397	11,249	17,252,148	11,834,424	-	1,352,506	2,874,074	422,658	422,658	275,968	4,130	65,291	262	178
2013-14.....	17,374,495	201,170	17,173,325	11,774,566	5,046,243	-	-	-	-	278,935	13,217	60,098	241	26
2014-15.....	18,061,718	(145,415)	18,207,133	12,462,677	5,341,147	-	-	-	-	323,137	11,137	68,752	283	-
2015-16.....	19,283,437	28,468	19,254,969	13,200,850	5,646,467	-	-	-	-	298,096	12,730	96,420	407	-
2016-17.....	19,725,068	74,956	19,650,111	13,464,535	5,759,441	-	-	-	-	324,039	10,785	90,910	402	-
2017-18.....	19,837,432	49,889	19,787,542	13,564,822	5,804,618	-	-	-	-	309,108	11,455	97,110	429	-
2018-19.....	20,874,719	32,215	20,842,505	14,306,965	6,140,433	-	-	-	-	282,047	12,060	100,515	485	-
2019-20.....	20,671,735	19,580	20,652,155	14,127,853	6,054,794	-	-	-	-	379,438	8,950	80,739	381	-
2020-21.....	22,213,521	62,777	22,150,744	15,156,803	6,495,773	-	-	-	-	353,457	8,978	135,068	665	-
2021-22.....	25,495,836	59,678	25,436,158	17,488,271	7,494,974	-	-	-	-	325,160	13,974	113,313	466	-
2022-23.....	29,070,218	104,370	28,965,848	19,918,279	8,536,405	-	-	-	-	378,947	20,453	111,340	425	-

Tax rate and base:

A privilege tax is imposed on a tire retailer at a percentage rate of the sales price of each new tire sold at retail and on each new tire sold by a retailer or wholesale merchant to a wholesale merchant or retailer for placement on a vehicle offered for sale, lease, or rental by the retailer or wholesale merchant to provide funds for the disposal of scrap tires.

Bead Diameter of Tire **Rate** **Exemptions:** bicycle tires and other tires for vehicles propelled by human power, recapped tires, and tires sold for placement

Less than 20 inches 2% on newly manufactured vehicles.

At least 20 inches 1%

Effective **July 1, 1991**, the Scrap Tire Disposal Fee was moved to Article 5B of § 105 and redesignated as the Scrap Tire Disposal Tax. The 1% tax applied to retail sales of new tires for construction equipment, agricultural and industrial equipment, aircraft, and new tires sold to be placed on vehicles for rent, lease, or sale. Effective **October 1, 1993**, the rate increased to 2% on tires with a bead diameter of less than 20 inches. *SL 2001-424, s. 2.2.(j) specifies that the statutory Scrap Tire Disposal Account allocable portion of taxes levied during fiscal year 2001-02 be deposited into the General Fund; SL 2010-31, s. 2.2.(d) and SL 2010-123, s. 1.2.(a) specify similar treatment for taxes levied during fiscal year 2010-11 (certain Scrap Tire Disposal Account directed proceeds were credited to the General Fund as non-tax revenue); SL 2011-145, s. 2.2.(f) specifies a similar provision for taxes levied during fiscal year 2011-12 (Scrap Tire Disposal Account directed proceeds of \$2,268,989 were credited to the General Fund as non-tax revenue).

†SL 2013-360, s. 14.16(a), effective **July 1, 2013**, adjusts the allocation percentages of Scrap Tire Disposal Tax net tax proceeds such that a 30% portion is to remain in the General Fund (the 8% allocation to the Solid Waste Management Trust Fund, the 17% allocation to the Scrap Tire Disposal Account, and the 2.5% allocations to the Inactive Hazardous Sites Cleanup Fund and to the Bernard Allen Memorial Emergency Drinking Water Fund are abolished; the remaining 70% portion continues to be shared with county governments on a per capita basis).

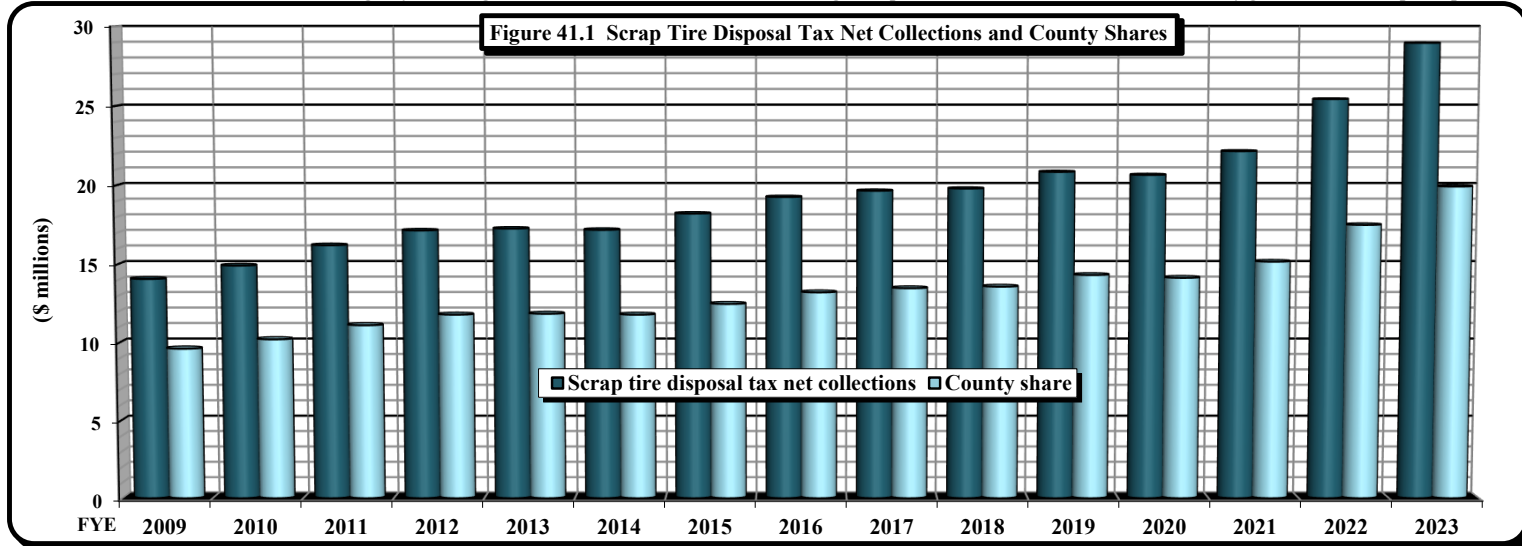


TABLE 42 . WHITE GOODS DISPOSAL TAX COLLECTIONS
[§ 105 ARTICLE 5C.]

Fiscal year	Gross tax collections [S]	Refunds [S]	Net collections before transfers [S]	Distributions and Transfers								
				County share [S]	Solid Waste Management Trust Fund† [S]	White Goods Management Account† [S]	DOR Administrative costs §105-187.24 [S]	General Fund† [S]	Collection fees on overdue tax debts §105-243.1 [S]	OSBM Civil Penalty & Forfeiture Fund §105-236 [S]	Collection cost of fines/forfeitures §115C-457.2 [S]	TIMS, PDP component costs SL 2009-451, s. 6.20(a) [S]
2008-09.....	4,283,858	20,411	4,263,447	2,364,362	316,793	1,278,758	298,141	-	550	4,823	20	-
2009-10.....	4,450,409	11,200	4,439,209	2,463,585	331,346	1,346,898	293,543	-	36	3,783	17	-
2010-11.....	4,170,286	19,793	4,150,493	2,491,444	309,710	257,715	274,241	812,502	881	3,938	17	45
2011-12.....	4,446,274	36,649	4,409,625	2,685,139	332,825	-	244,713	1,142,351	125	4,449	18	5
2012-13.....	4,429,321	3,574	4,425,747	2,637,793	329,870	1,155,713	299,654	-	362	2,345	9	-
2013-14.....	4,499,881	5,860	4,494,021	2,498,440	37,427	125,741	312,500	1,514,356	89	5,447	22	-
2014-15.....	4,849,342	213,416	4,635,926	2,388,020	-	-	272,244	1,971,588	367	3,691	15	-
2015-16.....	5,044,915	8,874	5,036,041	2,566,372	-	-	329,012	2,136,296	43	4,299	18	-
2016-17.....	5,797,929	12,652	5,785,277	2,995,952	-	-	280,410	2,495,894	1,155	11,813	52	-
2017-18.....	9,361,617	21,927	9,339,691	5,081,805	-	-	303,632	3,948,403	-	5,825	26	-
2018-19.....	6,210,735	17,285	6,193,450	2,978,777	-	-	308,043	2,886,005	399	20,129	97	-
2019-20.....	6,912,238	12,783	6,899,455	3,220,973	-	-	358,529	3,315,756	17	4,161	20	-
2020-21.....	8,132,900	8,298	8,124,603	4,097,148	-	-	370,085	3,628,939	1,383	26,914	133	-
2021-22.....	8,082,349	20,539	8,061,810	3,769,091	-	-	313,327	3,899,009	2,618	77,447	319	-
2022-23.....	7,707,405	26,096	7,681,309	3,238,562	-	-	406,068	4,017,507	1,215	17,888	68	-

Tax rate and base: A privilege tax (excise tax) is imposed on a white goods retailer at a flat rate of \$3 for each new white good that is sold by the retailer. White goods are defined as refrigerators, ranges, water heaters, freezers, unit air conditioners, washing machines, dishwashers, clothes dryers, and other similar domestic and commercial large appliances. The tax was first imposed **January 1, 1994** and was intended to expire **July 1, 1998**. The tax was \$5 if the article did not contain chlorofluorocarbon refrigerants and \$10 if the article contained such refrigerants. Proceeds were intended to provide funds for use in managing discarded white goods and the removal of chlorofluorocarbon refrigerants from such articles. After deducting administrative costs, the net proceeds were to be allocated as follows: 5% to the Solid Waste Management Trust Fund, 20% to the White Goods Management Account, and 75% among the counties on a per capita basis.

Effective **July 1, 1998**, the sunset was extended to **July 1, 2001**; effective **July 13, 2000**, the expiration was deleted. The rate was reduced to a single flat amount of \$3 regardless of the contents of the article. The distribution of the tax was amended to increase the Solid Waste Management Trust Fund share from 5% to 8%; the county share was decreased from 75% to 72% with eligibility requirements established in order for counties to qualify for receipt of a distribution. *SL 2001-424, s. 2.2.(j) specifies that the statutory White Goods Management Account allocable portion of taxes levied during fiscal year 2001-02 be deposited into the General Fund; SL 2010-31, s. 2.2.(e) and SL 2010-123, s. 1.2.(b) specify similar treatment for taxes levied during fiscal year 2010-11 (certain White Goods Management Account directed proceeds were credited to the General Fund as non-tax revenue); SL 2011-145, s. 2.2.(g) specifies a similar provision for taxes levied during fiscal year 2011-12 (White Goods Management Account directed proceeds up to a maximum \$1,951,465 were credited to the General Fund as non-tax revenue).

†SL 2013-360, s. 14.17(a), effective **August 1, 2013**, adjusts the allocation percentages of White Goods Disposal Tax net tax proceeds such that a 28% portion is to remain in the General Fund (the 8% allocation to the Solid Waste Management Trust Fund and 20% allocation to the White Goods Management Account are abolished; the remaining 72% portion continues to be shared with county governments on a per capita basis). Effective on or after **July 1, 2016**, a retailer-contractor is liable for tax for any white good withdrawn from inventory to fulfill a real property contract in the State.

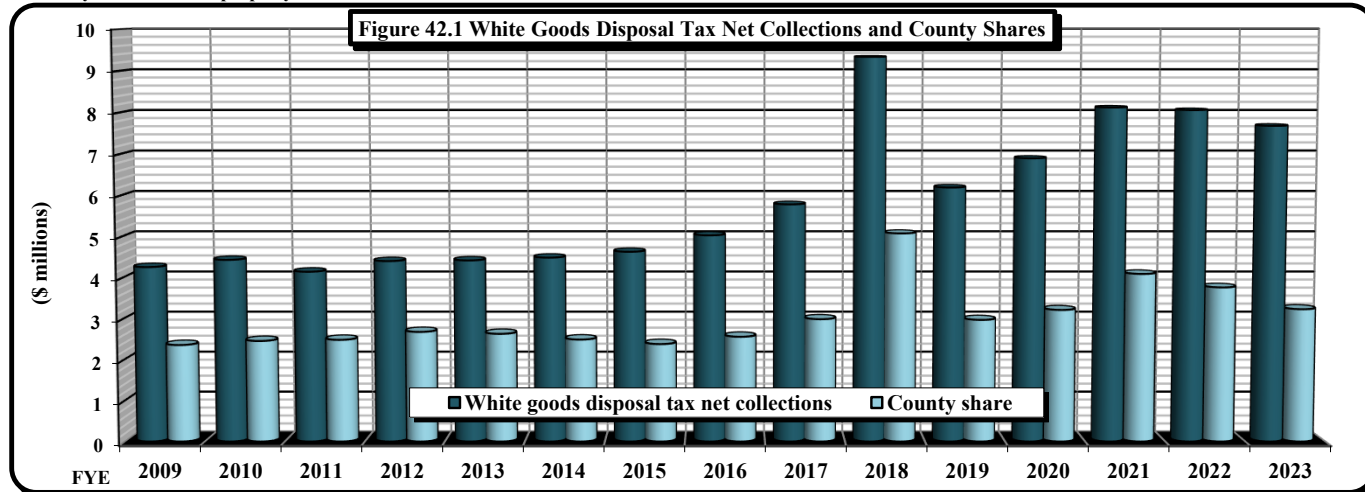


TABLE 43. DRY-CLEANING SOLVENT TAX COLLECTIONS
[§ 105 ARTICLE 5D.]

Fiscal year	Gross tax collections [S]	Refunds [S]	Net collections before transfers [S]
2008-09.	534,130	-	534,130
2009-10.	474,158	-	474,158
2010-11.	424,212	-	424,212
2011-12.	367,245	-	367,245
2012-13.	311,237	-	311,237
2013-14.	296,001	-	296,001
2014-15.	235,437	-	235,437
2015-16.	232,457	-	232,457
2016-17.	196,599	-	196,599
2017-18.	171,821	-	171,821
2018-19.	161,811	-	161,811
2019-20.	120,773	-	120,773
2020-21.	67,538	-	67,538
2021-22.	62,490	-	62,490
2022-23.	97,998	-	97,998

Dry-cleaning solvent tax rates and bases:

The dry-cleaning solvent tax, enacted in 1997, imposes a privilege tax on a dry-cleaning solvent retailer at a flat rate for each gallon of dry-cleaning solvent sold by the retailer to a dry-cleaning facility; an excise tax is imposed on dry-cleaning solvent purchased outside the State for storage, use, or consumption by a dry-cleaning facility in this State. The rate of the privilege tax and the excise tax is \$10 (\$5.85)* for each gallon of halogenated hydrocarbon-based dry-cleaning solvent and \$1.35 (\$.80)** for each gallon of hydrocarbon-based dry-cleaning solvent. These taxes are in addition to all other taxes.

*,** Applicable rates prior to October 1, 2001.

SL 2009-483 extends the sunset provision from January 1, 2010 to January 1, 2020.

SL 2019-237 extends the sunset provision from January 1, 2020 to January 1, 2030.

Proceeds of the tax are deposited into the Dry-Cleaning Solvent Cleanup Fund.

TABLE 44. PIPED NATURAL GAS EXCISE TAX COLLECTIONS
[§ 105 ARTICLE 5E.]

[Repealed by SL 2013-316, s. 4.1(d), effective July 1, 2014, and applicable to gross receipts billed on or after that date; concurrently, gross receipts are subject to the combined general rate under Article 5, § 105-164.4(a)(9).]

†[Collections are \$0 for fiscal year 2015-16 thereafter; table retained for historical reference.]

Fiscal year	Gross tax collections† [S]	Refunds [S]	Net collections before transfers [S]	Distributions and Transfers					Collections to General Fund [S]	Year-over-year % change	
				Municipal share [S]	Special Reserve Fund [S]	OSBM Civil Penalty & Forfeiture Fund [S]	Collection cost of fines/forfeitures [S]	Collection fees on overdue tax debts [S]		Gross collections	Amount to General Fund
2000-01.	65,165,433	-	65,165,433	27,952,436	-	-	-	-	37,212,997	33.1%	34.3%
2001-02.	65,324,778	257,719	65,067,059	7,953,531	16,163,604	-	-	-	40,949,924	0.2%	10.0%
2002-03.	65,875,332	2,568,268	63,307,065	26,453,663	-	-	-	-	36,853,402	0.8%	-10.0%
2003-04.	65,502,633	709,827	64,792,806	25,797,925	-	-	-	-	38,994,881	-0.6%	5.8%
2004-05.	62,084,042	1,526,029	60,558,013	25,476,410	-	-	-	-	35,081,603	-5.2%	-10.0%
2005-06.	58,507,317	185,898	58,321,419	24,639,745	-	27,406	-	-	33,654,268	-5.8%	-4.1%
2006-07.	61,514,335	11,431	61,502,904	25,445,011	-	686	3	-	36,057,204	5.1%	7.1%
2007-08.	59,771,818	9,719	59,762,099	23,285,683	-	28	-	-	36,476,388	-2.8%	1.2%
2008-09.	59,680,420	-	59,680,420	25,435,897	-	-	-	4,495	34,240,028	-0.2%	-6.1%
2009-10.	59,805,447	7,244	59,798,203	25,982,258	-	20,161	93	1,597	33,794,094	0.2%	-1.3%
2010-11.	54,701,827	-	54,701,827	23,706,373	-	-	-	-	30,995,454	-8.5%	-8.3%
2011-12.	45,621,128	5,139	45,615,989	19,754,660	-	134	1	28	25,861,167	-16.6%	-16.6%
2012-13.	52,215,503	90,736	52,124,767	21,712,714	-	-	-	468	30,411,586	14.5%	17.6%
2013-14.	55,703,643	1,531	55,702,112	25,311,963	-	-	-	-	30,390,149	6.7%	-0.1%
2014-15.	6,116,901	6,116,901	0	-	-	-	-	-	0	-89.0%	-100.0%

Effective July 1, 1999, gross receipts from the sale of piped natural gas were exempted from the 3.22% franchise tax rate and the 3% sales and use tax rate and were made subject to the piped natural gas excise tax.

Piped natural gas excise tax rates and bases: An excise tax is imposed on piped natural gas received for consumption in this State and is imposed in lieu of a sales and use tax and a percentage gross receipts tax on piped natural gas.

The tax rate is based on monthly therm volumes of piped natural gas received by the end-user of the gas.

Monthly Volume of Therms	Rate Per Therm	[Sales to manufacturers/farmers for qualifying purposes are exempt effective for transactions on/after <u>July 1, 2010</u> .]
First 200	\$.047	
201 to 15,000	.035	<u>2001-02</u>
15,001 to 60,000	.024	The State retained \$16,163,604 of allocable municipal share funds due to the revenue shortfall.
60,001 to 500,000	.015	
Over 500,000	.003	

TABLE 45. CERTAIN MACHINERY and EQUIPMENT TAX COLLECTIONS

[§ 105 ARTICLE 5F.]

[SL 2017-57 repeals the entirety of § 105 ARTICLE 5F effective July 1, 2018, and applies to transactions made on or after that date.]

Collection levels for fiscal years beginning with 2018-19 reflect tax liabilities incurred for periods prior to repeal (July 1, 2018).

Fiscal year	Gross tax collections [S]	Refunds [S]	Net collections before transfers [S]	Transfers				Collections to General Fund [S]	Year-over-year % change	
				Collection fees on overdue tax debts [S]	OSBM Civil Penalty & Forfeiture Fund [S]	Collection cost of fines/forfeitures [S]	TIMS and PDP component costs SL 2009-451 s. 6.20(a) [S]		Gross collections	Amount to General Fund
2008-09...	33,447,785	401,208	33,046,577	2,432	177,777	748	-	32,865,620	-12.41%	-12.94%
2009-10...	33,028,880	905,334	32,123,546	7,174	218,227	1,008	-	31,897,136	-1.25%	-2.95%
2010-11...	34,073,552	1,349,973	32,723,579	431	222,053	959	3,524	32,496,612	3.16%	1.88%
2011-12...	36,661,349	321,757	36,339,592	7,418	137,916	568	11,101	36,182,589	7.59%	11.34%
2012-13...	37,270,518	229,711	37,040,807	6,090	172,351	692	362	36,861,312	1.66%	1.88%
2013-14...	37,352,859	1,664,026	35,688,833	5,254	160,605	645	-	35,522,329	0.22%	-3.63%
2014-15...	41,609,565	253,891	41,355,674	5,818	233,701	962	-	41,115,193	11.40%	15.74%
2015-16...	47,414,223	704,463	46,709,760	5,416	290,888	1,227	-	46,412,229	13.95%	12.88%
2016-17...	48,388,426	733,047	47,655,379	11,380	305,837	1,352	-	47,336,810	2.05%	1.99%
2017-18...	48,039,063	954,622	47,084,441	44,397	324,366	1,434	-	46,714,244	-0.72%	-1.32%
2018-19...	5,990,375	1,425,028	4,565,347	11,529	211,586	1,021	-	4,341,211	-87.53%	-90.71%
2019-20...	1,299,270	201,055	1,098,216	1,051	21,639	102	-	1,075,424	-78.31%	-75.23%
2020-21...	1,190,524	72,562	1,117,963	1,496	23,951	118	-	1,092,398	-8.37%	1.58%
2021-22...	1,553,171	273,936	1,279,235	2,301	-	-	-	1,276,934	30.46%	16.89%
2022-23...	313,358	312,422	937	186	-	-	-	750	-79.82%	-99.94%

Effective January 1, 2006, transactions of certain machinery and equipment and manufacturing fuel were exempted from State sales and use taxes imposed on the seller and, concurrently, made subject to a privilege tax imposed on the purchaser. [Applicable tax rates remained unchanged.]

Manufacturing machinery and equipment and recycling equipment are subject to a 1% tax rate with a maximum \$80 tax per article. [Purchases by State agencies are exempted from the privilege taxes imposed by this Article; effective October 1, 2014, the exemption in § 105-164.13(62) does not apply to an item used to maintain or repair tangible personal property pursuant to a service contract exempt from tax under § 105-164.4(b)(4).]

Prior to October 1, 2007, a privilege tax rate of 1% was imposed on fuel purchased by a manufacturing industry or plant used to operate the industry or plant. Effective October 1, 2007, fuel purchased by a manufacturing industry or plant for qualifying purposes was reduced from 1% to 0.7%; effective July 1, 2008, the 0.7% rate was further reduced to 0.5%; effective July 1, 2009, the 0.5% rate was reduced to 0.3%; effective July 1, 2010, such transactions are fully exempt.

Effective July 1, 2007, the scope of this tax was expanded to include a company primarily engaged at the establishment in research and development activities in the physical, engineering, and life sciences (NAICS code-54171) that purchases qualifying equipment or attachment or repair parts for equipment (previously, purchases by research and development companies were subject to the combined State and local sales or use tax).

Effective October 1, 2007, a company primarily engaged at the establishment in software publishing activities included in the industry group (NAICS code-5112) was made subject to the tax for qualifying purchases. [Qualifying purchases for research and development and software publishing companies pertain to equipment (repair parts and attachments) that are capitalized by the company for tax purposes, are used by the company in the research and development of tangible personal property, and are considered mill machinery if purchased by the company to be used in the research and development of tangible personal property manufactured by the company.]

Effective October 1, 2007, the scope of this tax was expanded to include an eligible datacenter that purchases qualifying machinery or equipment to be located and used at the datacenter. Effective July 1, 2010, SL 2010-91 added provisions for qualifying requirements for a second datacenter, included eligibility for contractors and subcontractors of a datacenter, specified that the tax does not apply to equipment and machinery of an eligible Internet datacenter exempt from sales tax under § 105-164.13(55), and excluded software from taxable machinery and equipment definition in accordance with the datacenter-related software exemption from sales tax under § 105-164.13(43a)b.

Effective for transactions made on or after July 1, 2015, purchases or sales of datacenter machinery and equipment by or to an owner of a datacenter, or a contractor or subcontractor of an owner of a datacenter, are subject to the general 4.75% State rate of sales and use tax (the privilege tax imposed on machinery and equipment transactions purchased by a qualifying datacenter pursuant to § 105 Article 5F expires for transactions made on or after July 1, 2015).

Effective July 1, 2008, Article 5F was expanded to impose the tax on qualifying purchases of a company primarily engaged at the establishment in industrial machinery refurbishing activities included in industry group (NAICS code-811310).

Effective January 1, 2011, SL 2010-147 excluded purchases by motion picture and film production companies; purchases are now subject to the general State and local sales and use tax rates.

Effective July 1, 2013, Article 5F was expanded to impose the tax on a company located at a ports facility for waterborne commerce that purchases machinery and equipment that is used at the facility to unload or to facilitate the unloading or processing of bulk cargo to make it suitable for delivery to and use by manufacturing facilities (includes parts, accessories, or attachments used to maintain, repair, replace, upgrade, improve, or otherwise modify such machinery and equipment); provisions are effective for transactions occurring on or after July 1, 2013.

Effective July 1, 2013, Article 5F was expanded to impose the tax on purchases of mill machinery, distribution machinery, or parts or accessories for mill machinery or distribution machinery for storage, use, or consumption in North Carolina by a qualifying large manufacturing and distribution facility that is used primarily for manufacturing or assembling products and distributing finished products (special investment and employment level requirements apply); provisions are effective for transactions occurring on or after July 1, 2013 and expire for transactions occurring on or after July 1, 2018.

Effective July 1, 2016, Article 5F was expanded to impose the tax on certain tangible personal property purchases by certain recyclers, certain tangible personal property purchases by precious metal extraction companies, and certain tangible personal property purchases by certain metal work fabrication companies. Effective July 14, 2016, Article 5F was expanded to impose the tax on companies located at ports facilities (applies retroactively to purchases made on or after July 1, 2013).

TABLE 46. SOLID WASTE DISPOSAL TAX COLLECTIONS
[§ 105 ARTICLE 5G.]

Fiscal year	Gross tax collections [\$]	Refunds [\$]	Net collections before transfers [\$]	Distributions and Transfers											
				Local shares: 37.5%*		Inactive Hazardous Sites Cleanup Fund [\$]	Solid Waste Management Trust Fund+ [\$]	General Fund† [\$]	Administrative costs of collection [\$]	Permit application costs [\$]	Collection fees on overdue tax debts [\$]	OSBM Civil Penalty & Forfeiture Fund [\$]	Collection cost of fines/forfeitures [\$]	TIMS and PDP component costs SL 2009-451, s. 6.20(a) [\$]	
				County share: 18.75% [\$]	City share: 18.75% [\$]										
2008-09...	14,755,816	58,641	14,697,175	2,256,854	2,256,854	6,018,278	1,504,570	-	982	2,643,514	-	16,055	68	-	
2009-10...	18,251,052	17,653	18,233,400	3,412,833	3,412,833	9,100,888	2,275,222	-	-	-	-	31,479	145	-	
2010-11...	18,425,733	83,608	18,342,125	3,433,041	3,433,041	9,154,775	2,288,694	-	621	-	-	31,726	137	91	
2011-12...	18,762,397	1,324	18,761,073	3,514,275	3,514,275	9,371,400	2,342,850	-	88	-	-	18,096	75	15	
2012-13...	17,250,629	62,659	17,187,970	2,939,564	2,939,564	7,838,838	1,959,710	-	200	1,469,581	-	40,350	162	-	
2013-14...	17,242,381	5,407	17,236,973	3,225,101	3,225,101	8,600,269	-	2,145,380	245	-	197	40,519	163	-	
2014-15...	18,527,842	22,578	18,505,264	3,462,160	3,462,160	9,232,427	-	2,308,107	6,163	-	-	34,107	140	-	
2015-16...	19,168,743	254,906	18,913,837	3,516,695	3,516,695	9,377,852	-	2,335,446	67,835	-	-	98,900	415	-	
2016-17...	20,192,078	417,190	19,774,888	3,693,981	3,693,981	9,850,615	-	2,462,654	45,999	-	4,896	22,663	100	-	
2017-18...	20,476,020	608,128	19,867,891	3,700,184	3,700,184	9,867,158	-	2,463,581	77,662	-	171	58,692	259	-	
2018-19...	22,466,071	549	22,465,522	4,194,203	4,194,203	11,184,540	-	2,799,344	80,265	-	-	12,906	62	-	
2019-20...	23,247,626	40,737	23,206,889	4,322,658	4,322,658	11,527,088	-	2,881,772	59,864	-	-	92,414	436	-	
2020-21...	23,145,670	5,130	23,140,540	4,336,437	4,336,437	11,563,832	-	2,890,958	12,876	-	-	-	-	-	
2021-22...	23,779,926	288	23,779,638	4,436,535	4,436,535	11,830,760	-	2,957,690	82,090	-	3,522	32,372	133	-	
2022-23...	26,649,303	800,077	25,849,226	4,801,688	4,801,688	12,804,503	-	3,201,126	86,980	-	132,372	20,790	79	-	

Tax rate and base:

Effective July 1, 2008, an excise tax (\$2 per ton of waste) is imposed on the disposal of municipal solid waste and construction and demolition debris in any landfill and on the transfer of municipal solid waste and construction and demolition debris to a transfer station for disposal outside the State (applies to landfills and transfer stations permitted pursuant to Solid Waste Management laws, Article 9 of Chapter 130A of the NC General Statutes). The tax liability is on the municipal solid waste and construction and demolition debris received from third parties and on municipal solid waste and construction and demolition debris disposed of by the owner or operator.

Disposition of Proceeds:

Inactive Hazardous Sites Cleanup Fund [§ 130A-310.11]: 50%

*Cities and counties in the State that provide solid waste management programs and services: 37.5% [counties: 18.75%; cities: 18.75%]

A city or county served by a regional solid waste management authority established under Article 22 is excluded from the solid waste disposal tax distribution.

†Solid Waste Management Trust Fund [§ 130A-309.12]: 12.5% [Effective July 1, 2013, SL 2013-360, s. 14.18.(a) repeals § 130A-309.12 and amends § 105-187.63(3) to provide for 12.5% of the net tax proceeds to remain in the General Fund instead of being credited to the Solid Waste Management Trust Fund.]

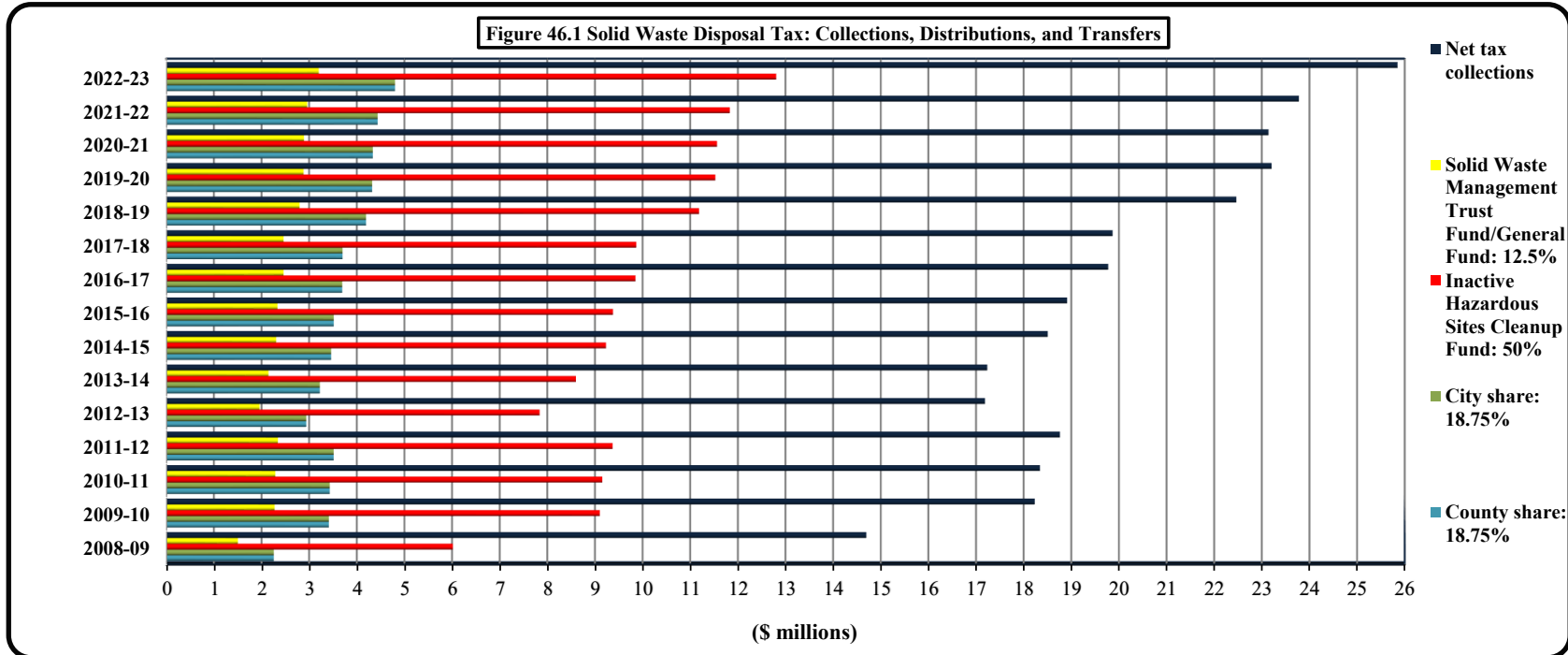


TABLE 47. GIFT TAX COLLECTIONS

[§ 105 ARTICLE 6.]

[SL 2008-107, s. 28.18(a) repeals the gift tax effective for gifts made on or after January 1, 2009.]

Fiscal year	Gift tax gross collections [\$]	Refunds [\$]	Net collections before transfers [\$]	Collection fees on overdue tax debts [\$]	OSBM Civil Penalty & Forfeiture Fund [\$]	Collection cost of fines/forfeitures [\$]	Collections to General Fund [\$]	Year-over-year % change			
								Gift tax gross collections	Gift tax refunds	Gift tax net collections	Gift tax collections to General Fund
2008-09.....	12,807,960	478,878	12,329,082	2,450	35,444	149	12,291,039	-28.28%	29.71%	-29.50%	-29.17%
2009-10.....	12,497,885	434,942	12,062,943	7,771	26,249	121	12,028,801	-2.42%	-9.17%	-2.16%	-2.13%
2010-11.....	3,252,392	267,353	2,985,039	3,684	17,642	76	2,963,637	-73.98%	-38.53%	-75.25%	-75.36%
2011-12.....	383,889	148,719	235,171	24,385	50,600	208	159,977	-88.20%	-44.37%	-92.12%	-94.60%
2012-13.....	859,753	22,986	836,767	16,054	2,751	11	817,951	123.96%	-84.54%	255.81%	411.29%
2013-14.....	648,264	6,794	641,470	-	116,112	466	524,891	-24.60%	-70.44%	-23.34%	-35.83%
2014-15.....	225,734	6,257	219,477	1,864	5,800	24	211,789	-65.18%	-7.90%	-65.79%	-59.65%
2015-16.....	442,664	409,310	33,354	23,230	6,543	28	3,553	96.10%	6,441.86%	-84.80%	-98.32%
2016-17.....	3,027	-	3,027	163	-	-	2,864	-99.32%	-100.00%	-90.92%	-19.39%
2017-18.....	43,506	-	43,506	-	351	2	43,153	1,337.24%	-	1,337.24%	1,406.64%
2018-19.....	93,674	-	93,674	908	-	-	92,766	115.32%	-	115.32%	114.97%
2019-20.....	79,707	-	79,707	-	342	2	79,363	-14.91%	-	-14.91%	-14.45%
2020-21.....	2,600	-	2,600	-	-	-	2,600	-96.74%	-	-96.74%	-96.72%
2021-22.....	40,183	-	40,183	-	-	-	40,183	1,445.48%	-	1,445.48%	1,445.48%
2022-23.....	9,356	-	9,356	-	-	-	9,356	-76.72%	-	-76.72%	-76.72%

Gift tax rates and bases:

The gift tax was levied upon the shares of the respective beneficiaries in all property within the jurisdiction of North Carolina, real, personal and mixed, and any interest therein which shall in any one calendar year be transferred by gift made subsequent to March 24, 1939.

The gift tax was imposed on the donor and based on one of three graduated rate scales determined by the relationship of the donee to the donor:

- Class A: any lineal ancestor or descendant
- Class B: brother, sister, descendant of a brother or sister, and aunt or uncle related by blood
- Class C: all others

The annual exclusion amount for gifts made on or after January 1, 2006, was \$12,000. (Gifts made on or after January 1, 2002, and prior to January 1, 2006, were subject to an \$11,000 annual exclusion. The annual exclusion amount for tax years prior to 2002 was \$10,000.) The exclusion did not apply to gifts of future interest. Gifts to spouses were exempt, including property given to a spouse as a qualified terminable interest property under federal law. In addition, a lifetime exemption of \$100,000 was allowed each donor for gifts made to Class A donees and was apportionable among the donees in the same ratio as the gross gift shares.

Collection levels for fiscal years beginning with 2009-10 reflect returns filed and/or tax liabilities incurred for periods prior to repeal that were processed during the designated fiscal years.

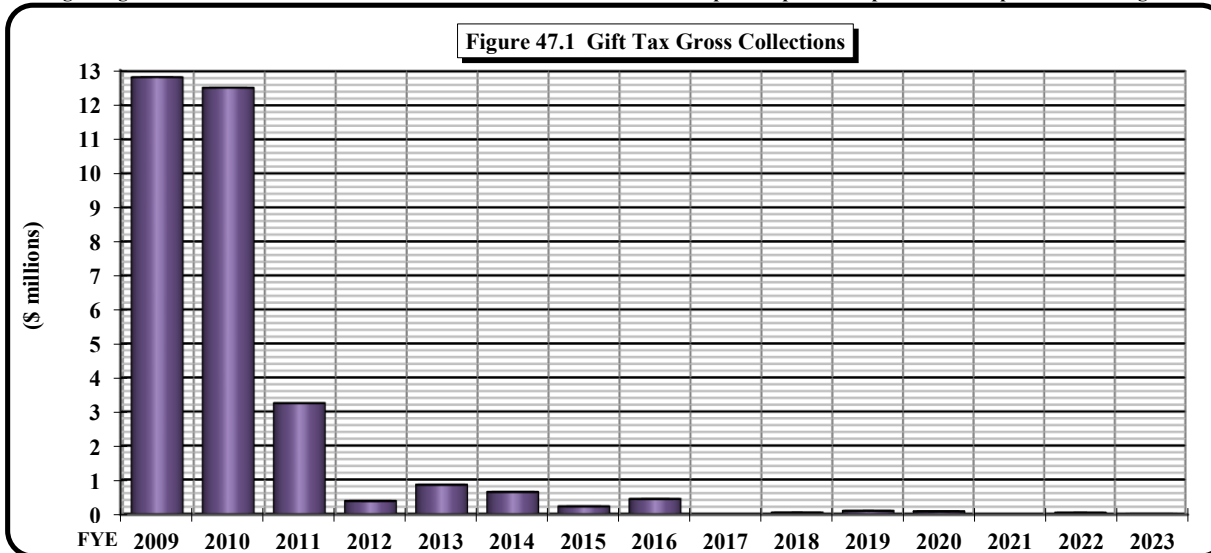


TABLE 48. FREIGHT CAR LINES TAX COLLECTIONS
[§ 105 ARTICLE 8A.]

Fiscal year	Gross tax collections [\$]	Refunds [\$]	Collection fees on overdue tax debts [\$]	OSBM Civil Penalty & Forfeiture Fund [\$]	Collection cost of fines/forfeitures [\$]	Collections to General Fund [\$]	Year-over-year % change
							Amount to General Fund
2008-09.....	186,566	2,503	-	588	2	183,472	-34.13%
2009-10.....	345,419	-	-	5	-	345,414	88.27%
2010-11.....	370,921	-	94	41	-	370,786	7.35%
2011-12.....	408,834	-	62	10	-	408,762	10.24%
2012-13.....	327,042	-	2	1,237	5	325,798	-20.30%
2013-14.....	296,230	-	2	1,424	6	294,799	-9.51%
2014-15.....	288,056	-	-	162	1	287,893	-2.34%
2015-16.....	256,950	-	-	-	-	256,950	-10.75%
2016-17.....	245,206	288	-	25	0	244,893	-4.69%
2017-18.....	306,605	-	-	-	-	306,605	25.20%
2018-19.....	261,415	-	-	2,757	13	258,645	-15.64%
2019-20.....	240,566	-	-	-	-	240,566	-6.99%
2020-21.....	212,721	-	-	-	-	212,721	-11.57%
2021-22.....	274,004	-	-	-	-	274,004	28.81%
2022-23.....	299,026	-	5,073	-	-	293,953	7.28%

Freight car lines tax rate and base:

The property of freight line companies constitutes a special class of property. In lieu of all ad valorem taxes by either or both the State government and the local taxing jurisdictions, a tax of 3% is imposed on the total gross earnings received from all sources by such freight line companies within the State.

Figure 48.1 Freight Car Lines Tax Net Collections to General Fund

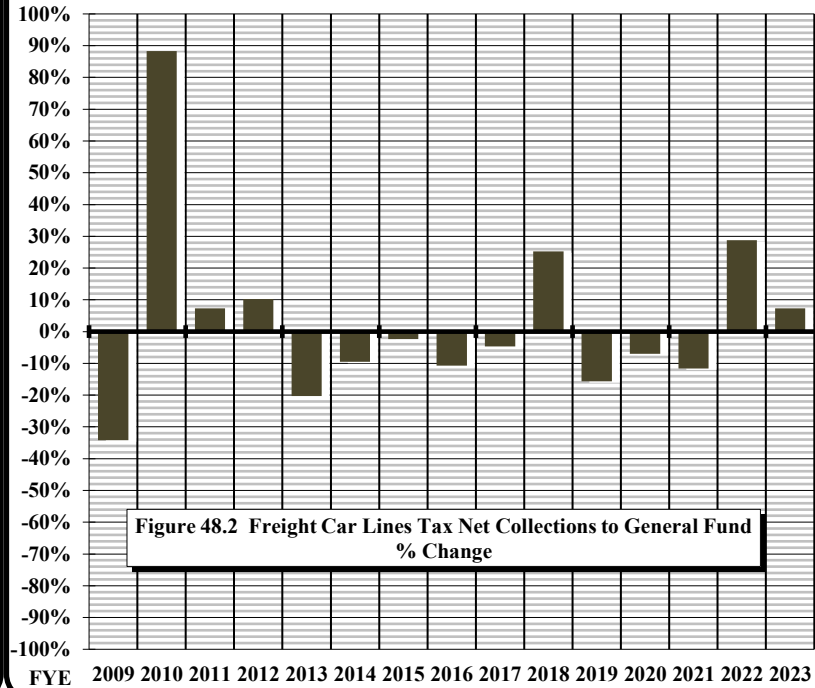
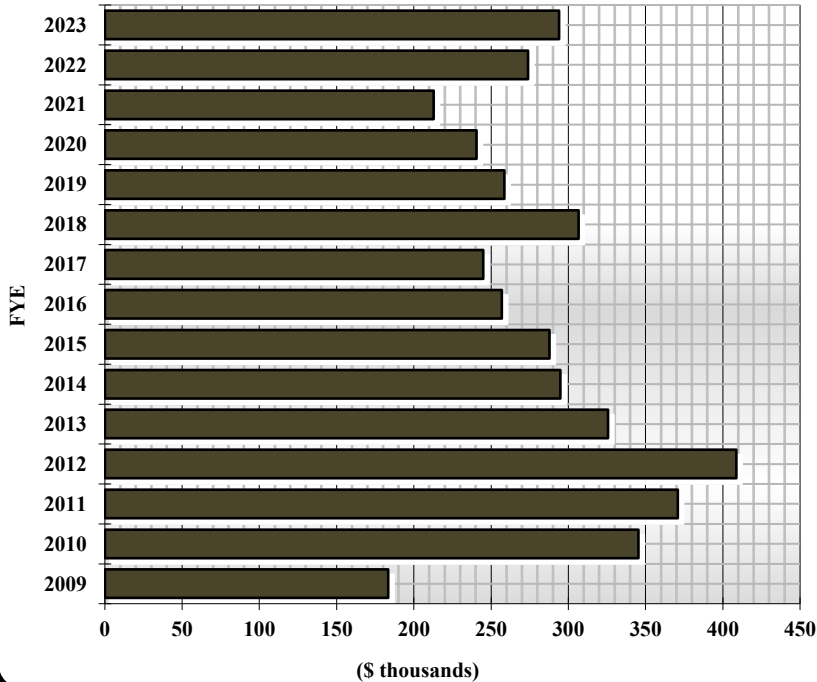


TABLE 49. TAXES UPON INSURANCE COMPANIES AND PREPAID HEALTH PLANS COLLECTIONS
 [SL 2020-88 amends the section title to Taxes Upon Insurance Companies and Prepaid Health Plans effective August 1, 2020.]
 [§ 105 ARTICLE 8B.; § 58 ARTICLE 6.]

Fiscal year	Insurance gross collections [\$]	Refunds [\$]	Net collections: Premiums Tax & Regulatory Fee [\$]	Allocations and Transfers:				Amount to General Fund [\$]	Year-over-year % change				
				Special Revenue Fund Allocation [§105-228.5 §58-6-25] [\$]	NC Health Insurance Risk Pool Fund†† [§105-228.5B] [\$]	OSBM Civil Penalty & Forfeiture Fund [§105-236] [\$]	DOR Fines/forfeitures collection cost [§115C-457.2] [\$]		Insurance gross collections	Refunds	Insurance net collections	DOI Special Revenue Fund Allocation	Amount to General Fund
2008-09...	563,111,589	34,070,262	529,041,327	45,194,681	17,153,195	91,123	383	466,601,945	4.43%	612.90%	-1.01%	8.39%	-5.30%
2009-10...	540,658,706	12,963,581	527,695,125	32,588,009	8,209,727	48,505	224	486,848,660	-3.99%	-61.95%	-0.25%	-27.89%	4.34%
2010-11...	540,871,159	9,960,823	530,910,336	44,919,852	5,853,892	1,975	9	480,134,608	0.04%	-23.16%	0.61%	37.84%	-1.38%
2011-12...	522,030,973	10,591,043	511,439,930	47,864,822	3,132,926	1,583	7	460,440,592	-3.48%	6.33%	-3.67%	6.56%	-4.10%
2012-13...	582,178,479	5,377,144	576,801,335	55,252,007	-	39,818	160	521,509,351	11.52%	-49.23%	12.78%	15.43%	13.26%
2013-14...	543,503,003	34,000,086	509,502,916	54,788,707	13,789,181	2,903	12	440,922,114	-6.64%	532.31%	-11.67%	-0.84%	-15.45%
2014-15...	577,409,045	13,652,813	563,756,232	53,070,998	-	8,903	37	510,676,294	6.24%	-59.84%	10.65%	-3.14%	15.82%
2015-16...	561,690,493	22,314,689	539,375,804	54,270,125	-	17,448	74	485,088,157	-2.72%	63.44%	-4.32%	2.26%	-5.01%
2016-17...	603,618,209	36,512,737	567,105,472	74,903,931	-	103,283	456	492,097,802	7.46%	63.63%	5.14%	38.02%	1.45%
2017-18...	655,845,743	20,127,779	635,717,964	69,464,198	-	147,788	653	566,105,324	8.65%	-44.87%	12.10%	-7.26%	15.04%
2018-19...	635,015,295	10,201,922	624,813,373	71,065,209	-	68,898	332	553,678,933	-3.18%	-49.31%	-1.72%	2.30%	-2.20%
2019-20...	715,493,010	7,067,982	708,425,028	52,186,181	-	84,891	401	656,153,555	12.67%	-30.72%	13.38%	-26.57%	18.51%
2020-21...	781,870,191	5,977,073	775,893,117	78,780,050	-	4,443,115	21,878	692,648,073	9.28%	-15.43%	9.52%	50.96%	5.56%
2021-22...	1,073,658,142	8,457,870	1,065,200,272	92,843,711	-	13,045	54	972,343,463	37.32%	41.51%	37.29%	17.85%	40.38%
2022-23...	1,250,380,994	15,353,419	1,235,027,575	86,908,547	-	498	2	1,148,118,528	16.46%	81.53%	15.94%	-6.39%	18.08%

Article 8B of § 105 imposes a gross premiums tax on insurers, Article 65 corporations, HMOs, prepaid health plans, and self-insurers. In addition, a regulatory charge (authorized under § 58-6-25) applies; foreign insurers are subject to retaliatory tax provisions (authorized under § 105-228.8). An insurer, HMO, prepaid health plan, or Article 65 corporation that is subject to the gross premiums tax is not subject to the corporation income tax or the franchise tax. Refer to *Table 50* for tax base and rate information as related to taxes and other levies imposed on insurance companies. Collections shown in the table only include those taxes deposited to the General Fund by the state Department of Revenue; collections are a combination of tax collections directly received from taxpayers by DOR pursuant to § 105 and collections of taxes administered by DOI as required to be reported to DOR.

Effective **January 1, 1997**, the insurance statutes were amended to transfer the responsibility for collecting certain insurance taxes from DOI to DOR.

††SL 2007-532, s. 4(c) provides that, beginning in fiscal year 2008-09, an amount equal to the growth in revenue from the tax applied to gross premiums under § 105-228.5(d)(2) be transferred from the General Fund to the NC Health Insurance Risk Pool Fund established in § 58-50-225. The amount of the initial transfer, \$17,153,195, is the actual difference between the amount of General Fund attributed revenue collected during fiscal year 2007-08, \$492,698,607, and the comparable amount collected during fiscal year 2006-07, \$475,545,413. (Beginning with fiscal year 2010-11, the transfer calculation factor is reduced to 30% of the growth in revenue as defined within § 105-228.5B.) § 58-50-225 is repealed effective **January 1, 2017**; insurance operations of the Pool were scheduled to sunset on January 1, 2014.

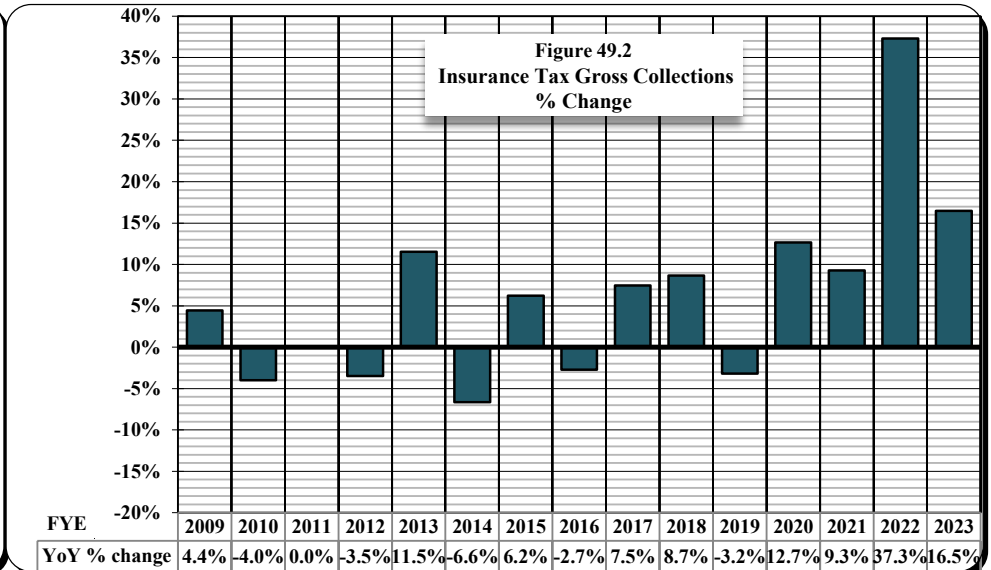
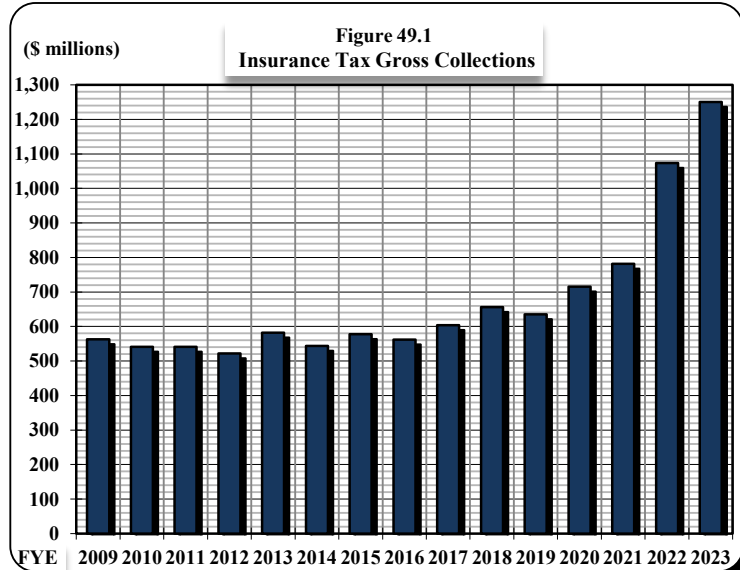
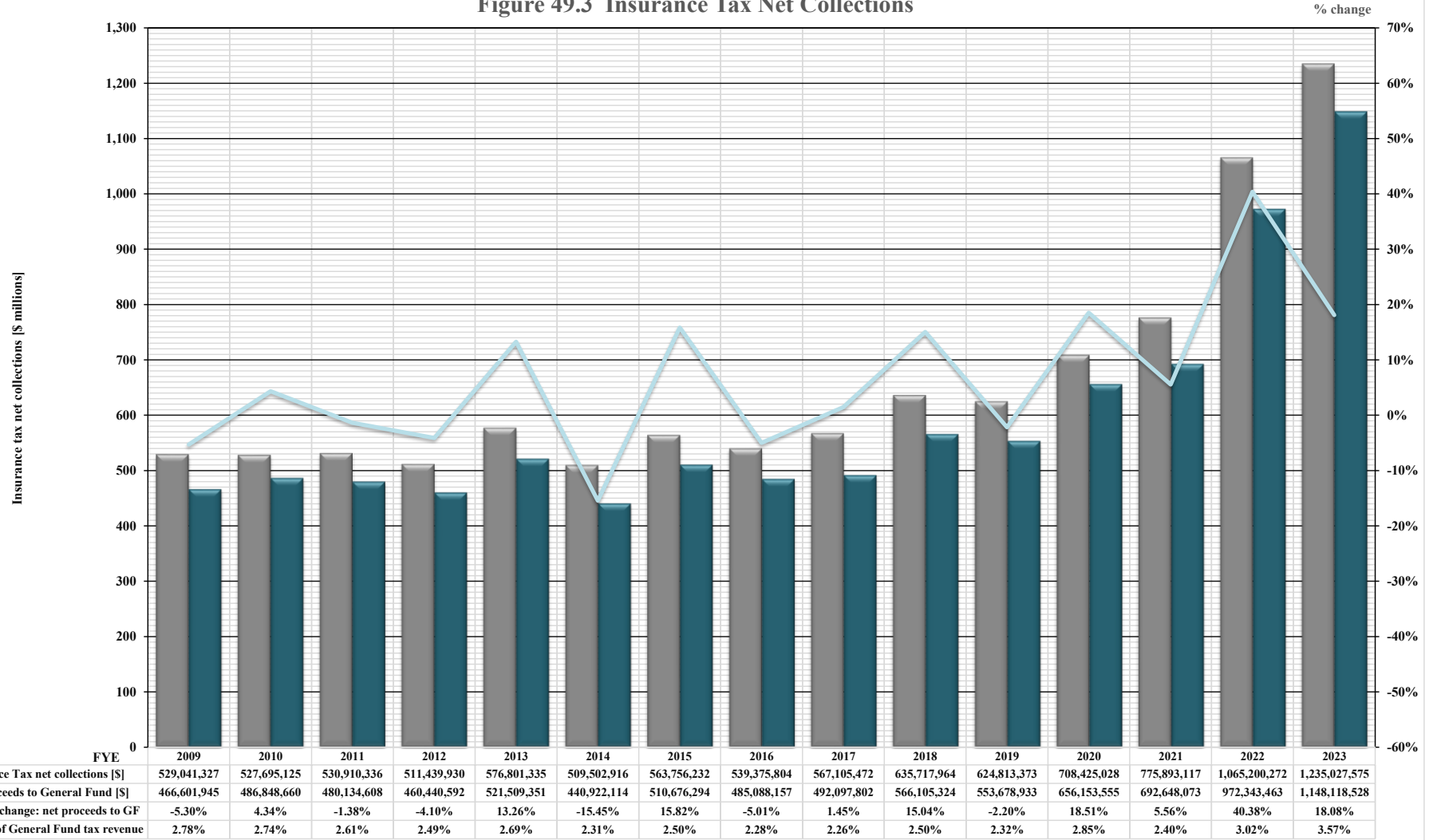


Figure 49.3 Insurance Tax Net Collections



Article 8B of § 105 imposes a gross premiums tax on insurers, Article 65 corporations, Health Maintenance Organizations (HMOs), prepaid health plans, and self-insurers. In addition, a regulatory charge (authorized under § 58-6-25) applies; foreign insurers are subject to retaliatory tax provisions (authorized under § 105-228.8). An insurer, HMO, prepaid health plan, or Article 65 corporation that is subject to the gross premiums tax is not subject to the corporation income tax or the franchise tax. See Table 50 for tax base and rate information as related to taxes and other levies imposed on insurance companies.

TABLE 50. TAXES UPON INSURANCE COMPANIES AND PREPAID HEALTH PLANS NET COLLECTIONS BY COMPANY TYPE
[§ 105 ARTICLE 8B.]

[SL 2020-88 amends the section title to Taxes Upon Insurance Companies and Prepaid Health Plans effective August 1, 2020. The SL 2020-88 amendment includes prepaid health plans in the types of organizations subject to the gross premiums tax and insurance regulatory charge.]

[Refer to chart for rate, base, and disposition of proceeds details.]

Fiscal year	Insurance Company Type														
	Life				Fire & Casualty				Health Maintenance Organization		Hospital & Dental		Title		
	Gross Premiums Tax [S]	Regulatory Charge [S]	Gross Premiums Tax [S]	Regulatory Charge [S]	Additional Rate† on Property Coverage Contracts Allocation of Net Proceeds: [includes minimal amounts attributable to Life companies]				Gross Premiums Tax [S]	Regulatory Charge [S]	Gross Premiums Tax [S]	Regulatory Charge [S]	Gross Premiums Tax [S]	Regulatory Charge [S]	
					General Fund Proceeds [S]	Volunteer Fire Department Fund [S]	Department of Insurance Proceeds [S88-84-25] [S]	Workers' Compensation Fund [S88-87-10(f)] [S]							
2008-09...	156,857,175	9,247,443	200,649,229	14,560,178	13,527,491	9,018,328	7,515,273	-	8,178,707	439,889	70,343,769	3,873,281	1,675,833	32,271	
2009-10...	142,119,924	8,105,576	222,770,889	13,843,927	12,352,469	8,236,189	6,854,947	-	6,454,984	355,001	65,023,528	3,573,416	2,548,064	132,968	
2010-11...	147,876,629	9,428,955	227,201,778	15,895,393	12,494,890	8,329,927	6,941,606	-	5,306,356	341,548	60,283,822	3,917,345	1,648,797	89,362	
2011-12...	154,898,738	9,401,921	232,621,027	15,886,928	12,875,157	8,583,438	7,152,865	-	7,169,674	434,872	22,493,287	4,093,709	1,856,800	110,210	
2012-13...	149,871,827	9,535,934	241,596,551	16,615,975	13,442,144	8,961,429	7,467,858	-	8,942,261	536,518	67,327,057	4,101,641	2,928,917	162,989	
2013-14...	141,007,992	9,343,386	250,764,501	18,009,412	11,669,480	8,335,343	6,668,274	6,668,274	8,106,059	486,333	(2,846,895)	4,552,025	3,141,939	280,179	
2014-15...	133,486,907	9,127,656	252,091,876	17,577,999	13,048,028	6,511,402	6,519,810	6,519,810	13,885,285	837,930	53,970,531	6,140,310	1,531,504	20,441	
2015-16...	131,421,986	11,501,238	237,688,984	21,858,094	13,886,360	6,943,180	6,943,180	6,943,180	15,138,172	1,115,110	34,276,042	6,935,226	2,466,075	196,166	
2016-17...	133,768,187	11,504,059	249,708,430	22,469,835	14,930,125	7,465,051	7,465,051	7,465,051	37,503,056	3,178,503	19,239,171	5,976,468	3,272,614	239,207	
2017-18...	165,362,919	13,268,954	272,043,507	23,191,125	15,167,614	7,583,807	7,583,807	7,583,807	2,098,865	(65,062)	59,379,140	9,837,108	3,468,315	259,694	
2018-19...	148,972,692	12,806,640	299,206,017	24,077,643	15,944,093	7,972,047	7,972,047	7,972,047	13,017,050	846,107	23,373,016	8,993,673	3,127,751	243,872	
2019-20...	175,670,906	12,326,255	310,181,082	25,020,703	16,935,251	8,467,625	8,467,625	8,467,625	12,531,965	748,260	59,561,117	8,440,958	4,839,081	286,317	
2020-21...	190,503,464	13,278,282	371,599,672	26,093,877	18,331,067	9,165,533	9,165,533	9,165,533	10,108,952	653,129	41,571,206	7,640,777	6,224,298	406,739	
2021-22...	265,094,686	18,078,345	386,271,652	28,626,469	20,305,464	10,152,732	10,152,732	10,152,732	80,192,984	5,212,606	132,328,530	10,346,485	8,114,153	571,079	
2022-23...	269,904,722	17,766,099	434,424,069	31,421,797	22,812,053	11,406,022	11,406,026	-	135,028,071	8,784,536	178,652,268	11,823,456	6,438,673	396,897	

Pursuant to SL 2022-6, section 1.4, no funds were to be transferred to the Volunteer Safety Workers' Compensation Fund during FY2022-23.

Fiscal year	Insurance Company Type										Disposition of Proceeds				
	Self-Insured			Captive†††	Other Taxes Measured by Gross Premiums [S]	Gross Premiums Tax Collections from Dept. of Insurance [S]	Total Net Collections				Special Revenue Fund Allocation [S105-228.5 S88-6-25] [S]	NC Health Insurance Risk Pool Fund†† [S105-228.5B] [S]	Amount to General Fund [S]	Amount to OSBM Civil Penalty & Forfeiture Fund [S105-236] [S]	DOR Fines/forfeitures collection cost [S115C-457.2] [S]
	Gross Premiums Tax [S]	Regulatory Charge [S]	Gross Premium Tax [S]				Gross Premiums Tax [S]	Add'l Rate† on Property Coverage Contracts [S]	Regulatory Charge [S 58-6-25] [S]	Total [S]					
2008-09...	7,802,841	443,848	-	-	24,875,771	470,383,326	30,061,092	28,596,909	529,041,327	45,194,681	17,153,195	466,601,945	91,123	383	
2009-10...	7,382,780	403,506	-	-	27,536,956	473,837,125	27,443,605	26,414,395	527,695,125	32,588,009	8,209,727	486,848,660	48,505	224	
2010-11...	5,734,764	362,368	-	-	25,056,794	473,108,940	27,766,423	30,034,973	530,910,336	44,919,852	5,853,892	480,134,608	1,975	9	
2011-12...	6,239,913	376,153	-	-	27,245,238	452,524,677	28,611,461	30,303,793	511,439,930	47,864,822	3,132,926	460,440,592	1,583	7	
2012-13...	6,134,215	373,312	-	-	38,802,708	515,603,536	29,871,431	31,326,368	576,801,335	55,252,007	-	521,509,351	39,818	160	
2013-14...	6,083,099	460,098	-	1,148	36,772,269	443,030,111	33,341,372	33,131,433	509,502,916	54,788,707	13,789,181	440,922,114	2,903	12	
2014-15...	6,692,174	394,841	555,244	-	34,844,484	497,058,005	32,599,050	34,099,177	563,756,232	53,070,998	-	510,676,294	8,903	37	
2015-16...	6,926,766	391,485	879,367	-	33,865,193	462,662,586	34,715,899	41,997,319	539,375,804	54,270,125	-	485,088,157	17,448	74	
2016-17...	5,882,454	430,027	1,645,156	-	34,963,025	485,982,094	37,325,279	43,798,099	567,105,472	74,903,931	-	492,097,802	103,283	456	
2017-18...	9,275,845	580,142	2,228,288	-	36,870,087	550,726,967	37,919,035	47,071,961	635,717,964	69,464,198	-	566,105,324	147,788	653	
2018-19...	5,363,579	327,102	2,807,622	-	41,790,376	537,658,102	39,860,233	47,295,037	624,813,373	71,065,209	-	553,678,933	68,898	332	
2019-20...	3,921,721	268,762	2,754,738	-	49,535,037	618,995,646	42,338,126	47,091,255	708,425,028	52,186,181	-	656,153,555	84,891	401	
2020-21...	5,159,090	372,701	2,870,395	-	53,582,868	681,619,945	45,827,667	48,445,505	775,893,117	78,780,050	-	692,648,073	4,443,115	21,878	
2021-22...	5,799,779	373,802	3,392,230	-	70,033,814	951,227,827	50,763,661	63,208,785	1,065,200,272	92,843,711	-	972,343,463	13,045	54	
2022-23...	3,725,837	343,995	3,804,153	-	86,888,902	1,118,866,694	45,624,101	70,536,780	1,235,027,575	86,908,547	-	1,148,118,528	498	2	

Collections of taxes measured by gross premiums amounts include any applicable penalties.

††SL 2007-532, s. 4(c) provides that, beginning in fiscal year 2008-09, an amount equal to the growth in net revenue from the tax applied to gross premiums under § 105-228.5(d)(2) be transferred from the General Fund to the NC Health Insurance Risk Pool Fund established in § 58-50-225. The amount of the initial transfer, \$17,153,195, is the actual difference between the amount of General Fund attributed revenue collected during fiscal year 2007-08 and the comparable amount collected during fiscal year 2006-07. (Beginning with fiscal year 2010-11, the factor for determining the transfer amount is reduced to 30% of the growth in revenue as defined within § 105-228.5B.) § 58-50-225 is repealed effective January 1, 2017; insurance operations of the Pool were scheduled to sunset on January 1, 2014.

TABLE 50. -Continued

Rates, bases, and disposition of net proceeds by type of company and by type of insurance (refer to chart below):

The insurance tax (levied on insurers, Article 65 corporations, health maintenance organizations (HMOs), prepaid health plans (eff. 8/1/20), and self-insurers) is measured on the gross premiums from business done in North Carolina (all gross premiums received in this State, credited to policies written or procured in this State, or derived from business written in this State are considered to be for contracts covering persons, property, or risks resident or located in this State). Finance charges are included in gross premiums. Foreign insurers are subject to retaliatory premium taxes.

Gross premiums attributable to contracts applicable to liabilities under the Workers' Compensation Act are subject to a 2.5% tax rate while gross premiums on all other taxable contracts are subject to a 1.9% tax rate. An additional rate of 0.74% applies to gross premiums on insurance contracts for property coverage (replaced Additional Statewide/Local Fire and Lightning Taxes effective for tax years beginning on or after January 1, 2008). Insurers, Article 65 corporations, HMOs, prepaid health plans, and self-insurers pay an Insurance Regulatory Charge (IRC) in addition to all other fees and taxes. For insurers and self-insurers, the IRC is a percentage of the gross premium tax liability, exclusive of any additional taxes and credits; for Article 65 corporations and HMOs, the IRC is a percentage of a presumed tax liability for the year calculated as if the corporation or organization were an insurer providing health insurance (same exclusions apply).

The insurance premium tax requirements do not apply to farmers' mutual assessment fire insurance companies or to fraternal orders or societies that do not operate for a profit and do not issue policies on any person except members, or to captive insurance companies taxed under § 105-228.4A. The tax on captive insurance companies does not apply to a foreign captive insurance company.

SL 2021-180 limits the gross premiums tax base for insurers of bail bonds to the amount paid by the surety bondsman to the insurer of the bail bonds (effective for taxable years beginning on or after January 1, 2022).

Company Type/Insurance Levy Type	Rate	Tax year period	Base/Notes	Disposition of net proceeds
Property coverage contracts †Additional Rate on Property Coverage Contracts [§ 105-228.5(d)(3)] [SL 2006-196 rewrote § 105-228.5(d)(3) substituting the Additional Rate on Property Coverage Contracts to replace the Additional Statewide/Local Fire & Lightning Rate provisions]	0.74%	On/after January 1, 2008	†Applies to gross premiums on insurance contracts for property coverage. Tax imposed on: (1) 10% of gross premiums from insurance contracts for automobile physical damage coverage and (2) 100% of gross premiums from all other contracts for property coverage. [Amounts generated from the additional 0.74% rate are considered a special purpose assessment based on gross premiums and are not considered a gross premiums tax.]	(1) 20% eff 7/1/14; [25% eff 7/1/13; previously 30%] to Volunteer Fire Department Fund [established in Article 87 of Chapter 58] (2) 20% eff 7/1/13; [previously 25%] to NC Department of Insurance for disbursement pursuant to § 58-84-25 (3) Up to 20% (eff 7/1/13) to Workers' Compensation Fund § 58-87-10(f) (4) Residual eff 7/1/13; [previously 45%] to General Fund
†Additional Statewide Fire & Lightning Rate (excluding auto & marine) [§ 105-228.5(d)(3)] [SL 2006-196 rewrote § 105-228.5(d)(3) substituting the Additional Rate on Property Coverage Contracts to replace the Additional Statewide Fire & Lightning Rate provisions]	1.33%	Before January 1, 2008	Applied to gross premiums on insurance contracts applicable to fire and lightning coverage except marine and automobile contracts. Tax imposed on: (1) 100% of gross premiums from insurance contracts for fire loss (2) Gross premiums from insurance contracts for commercial multiple peril: nonliability portion: 100% liability portion: 0% (3) 50% of gross premiums from insurance contracts for homeowners (4) 30% of gross premiums from insurance contracts for farm owners	(1) 25% to Volunteer Fire Department Fund [established in Article 87 of Chapter 58] (2) 75% to General Fund
†Additional Local Fire & Lightning rate [§ 105-228.5(d)(4)] [Repealed by SL 2006-196]	0.5%	Before January 1, 2008	Applied to gross premiums on insurance contracts applicable to fire and lightning coverage within fire districts at the rate of 0.5%.	NC Department of Insurance for disbursement pursuant to § 58-84-25
Health Maintenance Organizations (HMOs) [§ 105-228.5(d)(2)]	1.9% 1.0% 1.1%	On/after January 1, 2007 On/after January 1, 2004 On/after January 1, 2003	Applies to taxable gross premiums on insurance contracts issued by HMOs [§ 105-228.5(b)(1)]; [§ 105-228.5(b1)]	General Fund
Article 65 Corporations (hospital, medical, and dental service corporations) [§ 105-228.5(d)(2)]	1.9% 1.1% 0.5%	On/after January 1, 2004 On/after January 1, 2003 Before January 1, 2003	Applies to gross premiums and gross collections from membership dues, exclusive of receipts from cost plus plans [§ 105-228.5(b)(3)]	General Fund
Other Insurance Contracts [§ 105-228.5(d)(2)]	1.9%	On/after January 1, 1992	Applies to gross premiums on all other taxable contracts issued by insurers [§ 105-228.5(b)(1)]; [§ 105-228.5(b1)]	General Fund
Prepaid Health Plans [§ 105-228.5(d)(2a)]	1.9%	On/after August 1, 2020	Applies to gross capitation payments received by prepaid health plans from DHHS for services provided to enrollees in the State Medicaid program in the preceding calendar year [§ 105-228.5(b)(5)]	General Fund
Workers' Compensation [§ 105-228.5(d)(1)]	2.5%	On/after January 1, 1986	Applies to taxable gross premiums on contracts applicable to liabilities under the Workers' Compensation Act [§ 105-228.5(b)(1)]; [§ 105-228.5(b1)]	General Fund
†††Captive insurance companies [§ 105-228.4A][eff October 14, 2013]	0.4% 0.3% 0.225% 0.150% 0.050% 0.025%	Direct Premiums: up to \$20 million \$20 million and over Assumed Reinsurance Premiums: up to \$20 million \$20 million-\$40 million \$40 million-\$60 million \$60 million and over	Rates apply based on the type and amount of insurance premium collected; total tax liability varies depending upon the type of captive insurance company: \$5,000 minimum to \$200,000 maximum. The minimum tax is due from each captive that holds an active license to do business even if no premiums have been written. insurance regulatory charge does not apply	General Fund
Insurance Regulatory Charge [§ 58-6-25]	2.0% 6.5% 6.0% 5.5%	Calendar yrs 2024-2025 Calendar yrs 2015-2023 Calendar yrs 2010-2014 Calendar yrs 2005-2009	Rate established annually by the General Assembly Applies to gross premiums tax liability SL 2020-58 amends this section to set the insurance regulatory charge rate at 6.5% statutorily (language was deleted referencing annual review by the General Assembly unless rate change is necessary).	Insurance Regulatory Fund-Money credited to the Fund may be spent only pursuant to appropriation by the General Assembly and is subject to the State Budget Act. Fund is used to reimburse the General Fund for expenses incurred in insurance regulation and administration.

TABLE 51. EXCISE [STAMP] TAX ON CONVEYANCES
 [§ 105 ARTICLE 8E.]

[Reflects the State's allocation of net proceeds]

Fiscal year	Gross tax collections [\$]	Refunds [\$]	Net collections before transfers [\$]	Y-o-Y % change	Allocation of Proceeds		
					Natural Heritage Trust Fund [\$]	Parks & Recreation Trust Fund [\$]	Amount to General Fund [\$]
2008-09	36,331,606	293,910	36,037,696	-40.7%	9,009,424	27,028,272	-
2009-10	34,204,312	-	34,204,312	-5.1%	8,551,078	25,653,234	-
2010-11	31,736,288	3,726	31,732,562	-7.2%	7,933,140	23,799,421	-
2011-12	34,416,861	72,001	34,344,860	8.2%	8,586,215	25,758,645	-
2012-13	43,073,572	6,152	43,067,420	25.4%	10,766,855	32,300,565	-
2013-14	45,381,922	48,313	45,333,609	5.3%	-	-	45,333,609
2014-15	55,523,630	2,526	55,521,104	22.5%	-	-	55,521,104
2015-16	60,968,254	-	60,968,254	9.8%	-	-	60,968,254
2016-17	67,473,051	6,293	67,466,758	10.7%	-	-	67,466,758
2017-18	72,945,222	17,728	72,927,494	8.1%	-	-	72,927,494
2018-19	80,378,787	20,763	80,358,024	10.2%	-	-	80,358,024
2019-20	87,895,466	4,468	87,890,999	9.4%	-	-	87,890,999
2020-21	113,615,741	-	113,615,741	29.3%	-	-	113,615,741
2021-22	152,826,301	-	152,826,301	34.5%	-	-	152,826,301
2022-23	119,246,673	-	119,246,673	-22.0%	-	-	119,246,673

The excise tax is levied on each instrument by which any interest in real property is conveyed to another person (certain exceptions apply). The tax rate is \$1 on each \$500 or fractional part of the consideration or value of the interest conveyed. The tax is paid by the transferor to the register of deeds of the county in which the real estate is located prior to recording the instrument of conveyance. If the instrument transfers a parcel of real estate lying in two or more counties, the tax must be paid to the register of deeds of the county in which the greater part of the real estate with respect to value is located. The excise tax on instruments imposed by this Article applies to timber deeds and contracts for the sale of standing timber to the same extent as if these deeds and contracts conveyed an interest in real property. The finance officer of each county is statutorily required to credit one-half of the tax proceeds to the county's general fund and to remit the remaining one-half of the proceeds (less taxes refunded and the county's allowance for administrative costs) to the NCDOR (a county may retain two percent (2%) of the State allocated proceeds as compensation to defray the county's administrative costs). Prior to July 1, 2013, the State is statutorily required to deposit 75% of the proceeds to the Parks and Recreation Trust Fund and 25% to the Natural Heritage Trust Fund. Effective July 1, 2013, SL 2013-360, s. 14.4(a) amends § 105-228.30(b) to provide that proceeds remitted to the NCDOR be credited to the General Fund. Refer to Table 77 for information pertaining to tax proceeds (prior to adjustment for State allocation and county allowance for administrative costs) attributed by county by fiscal year.

2003-04
 § 105-228.30(b) was amended to accelerate the frequency with which the counties are required to remit the State's share of the deed excise tax to the Department of Revenue from a quarterly to a monthly basis, thereby shifting the receipts of some tax revenue from the 2004-05 fiscal year into the end of the 2003-04 fiscal year.
 [Effective for taxes collected on or after July 1, 2003.]

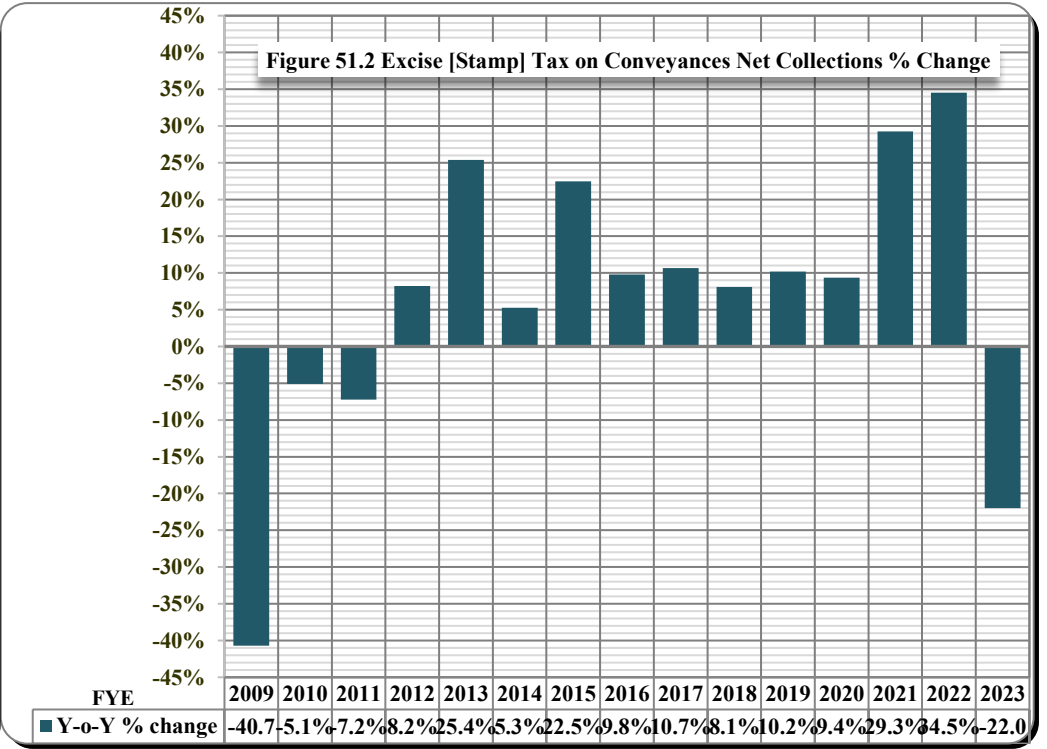
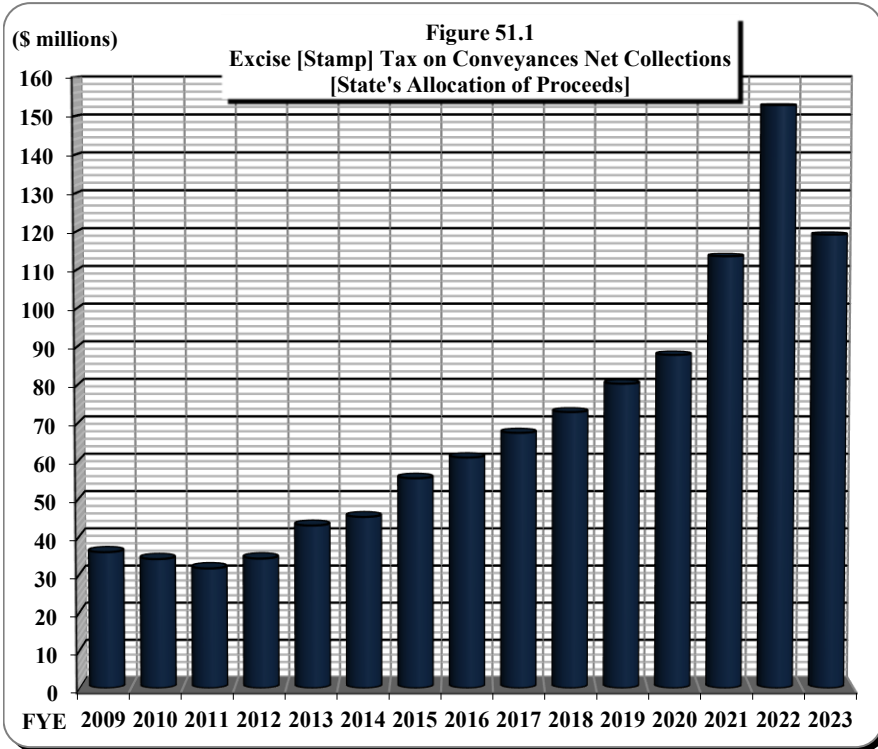


TABLE 53. MOTOR FUEL TAXES COLLECTIONS

[§ 105 SUBCHAPTER V.]

On March 10, 2020, Governor Roy Cooper signed Executive Order 116 declaring a state of emergency in response to the pandemic. The Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-21) that otherwise fell due during the fiscal year ended June 30, 2020.

This action effectively resulted in a shifting of the receipt of certain tax revenues from fiscal year 2019-20 to fiscal year 2020-21.

Fiscal year	Motor Fuel Taxes Gross Collections													Collection fees on over-due tax debts	Refunds	Toal net collections [all sources]	TIMS, PDP component costs SL 2009-451 s. 6.20(a)	[See notes for rate explanations]		
	Fees and Civil Penalties			Motor Fuels (Gasoline)		Special Fuels (Diesel & Alternative)		Highway Fuels Use Tax‡		Combined Fuel Types			Tax collections per 1¢ of tax					TMS, PDP component costs SL 2009-451 s. 6.20(a)	July through December†	January through June†
	1/4¢ Motor Fuels and Oil Inspection Fees††		Regis-tration Fees/ Civil Pen-alties	Gallons on which tax was collected	Amount collected	Gallons on which tax was collected	Amount collected	Gallons on which tax was collected	Amount collected	Gallons on which tax was collected	Amount collected	Tax collections per 1¢ of tax								
	General Fund allocation	Highway Fund allocation																		
[\$]	[\$]	[\$]	[#]	[\$]	[#]	[\$]	[#]	[\$]	[#]	[\$]	[\$]	[\$]	[\$]	[€]	[€]					
2008-09	901,426	13,674,635	540,640	4,329,784,969	1,294,458,711	870,264,569	260,255,450	131,613,901	40,782,747	5,331,663,439	1,595,496,908	53,316,634	20,616	79,841,227	1,530,751,765	-	29.9	29.9		
2009-10	1,002,905	14,105,867	580,156	4,406,853,029	1,324,562,779	874,217,904	262,927,752	95,709,326	29,439,510	5,376,780,259	1,616,930,041	53,767,803	29,176	65,530,406	1,567,059,387	-	29.9	30.3		
2010-11	1,222,610	13,976,788	586,540	4,413,267,969	1,412,330,459	891,597,173	285,357,919	62,394,761	20,575,003	5,367,259,903	1,718,263,381	53,672,599	66,582	55,427,172	1,678,555,563	16,035	31.9	32.5		
2011-12	1,331,796	13,926,130	653,300	4,316,338,923	1,569,621,820	890,945,682	323,879,928	78,114,084	27,956,405	5,285,398,689	1,921,458,153	52,853,987	35,233	59,895,411	1,877,438,735	1,789	35.0	38.9		
2012-13	1,202,822	13,613,731	497,308	4,255,623,437	1,600,771,520	874,560,475	329,121,519	88,189,496	33,992,373	5,218,373,408	1,963,885,412	52,183,734	87,191	70,399,857	1,908,712,225	1,579	37.5	37.5		
2013-14	1,293,347	13,859,339	493,463	4,278,516,104	1,605,788,533	897,689,922	336,981,442	82,922,076	31,794,237	5,259,128,102	1,974,564,212	52,591,281	13,173	59,011,982	1,931,185,205	-	37.6	37.5		
2014-15	1,278,485	14,301,157	576,340	4,397,794,808	1,615,631,001	951,019,864	349,664,874	76,636,964	28,891,485	5,425,451,636	1,994,187,360	54,254,516	74,965	70,231,375	1,940,037,002	-	36.5	37.5, 36.0		
2015-16	1,358,939	15,032,032	422,090	4,592,720,034	1,634,615,622	1,002,206,098	356,726,053	74,703,343	27,448,247	5,669,629,475	2,018,789,921	56,696,295	48,969	82,715,153	1,952,838,861	-	36.0	35.0		
2016-17	1,460,653	15,395,909	387,899	4,743,420,106	1,622,720,538	1,039,228,514	355,765,362	86,517,927	30,355,886	5,869,166,547	2,008,841,786	58,691,665	64,199	86,419,952	1,939,602,097	-	34.0	34.3		
2017-18	1,445,343	16,478,497	480,721	4,797,948,320	1,664,562,900	1,058,890,857	366,847,314	85,770,383	30,717,671	5,942,609,560	2,062,127,885	59,426,096	51,473	87,448,633	1,993,032,340	-	34.3	35.1		
2018-19	1,490,120	15,633,023	458,127	4,975,865,005	1,767,791,699	1,116,097,351	397,055,306	86,151,669	31,522,008	6,178,114,025	2,196,369,014	61,781,140	153,414	97,225,115	2,116,571,755	-	35.1	36.2		
2019-20	1,350,980	15,353,052	474,279	4,559,869,958	1,648,509,296	1,067,187,760	386,730,393	86,437,203	32,197,334	5,713,494,921	2,067,437,023	57,134,949	166,988	123,784,303	1,960,664,043	-	36.2	36.1		
2020-21	1,157,658	16,262,094	520,064	4,848,379,767	1,751,220,773	1,214,030,339	438,481,528	82,198,420	30,837,939	6,144,608,526	2,220,540,240	61,446,085	231,682	107,219,270	2,131,029,104	-	36.1	36.1		
2021-22	1,357,847	16,110,101	763,683	5,048,633,865	1,871,737,590	1,147,779,996	426,070,593	93,293,238	35,502,477	6,289,707,099	2,333,310,660	62,897,071	181,932	140,005,110	2,211,355,249	-	36.1	38.5		
2022-23	1,441,058	15,643,096	622,985	5,072,516,013	1,994,897,812	1,117,222,062	439,629,840	91,298,936	37,081,441	6,281,037,011	2,471,609,092	62,810,370	1,327,279	113,487,129	2,374,501,824	-	38.5	40.5		

Motor fuels, special fuels, and highway fuels use tax collection amounts include tax, penalty, and interest; 1/4¢ motor fuels and oil inspection fee allocation amounts exclude any collections generated from penalties.

Gallon amounts are computations based on the reported tax liability and applicable tax rate in effect for the associated transaction period.

†Prior to enactment of SL 2015-2 (SB20), the motor fuel excise tax rate is computed using a flat rate of 17.5¢ per gallon plus a variable wholesale component (the greater of either 3.5¢ per gallon or 7% of the average wholesale price of motor fuel for the applicable preceding six-month base period). The average wholesale price is a weighted average of the wholesale prices of gasoline and No. 2 diesel fuel. Rates were set semiannually for January-June and July-December. Collections received by the Department of Revenue in July reflect June transactions (the rate in effect for the prior January-June period); collections received during August-January primarily reflect July-December transactions (the rate in effect for the July-December period); collections received during February-June primarily reflect January-May transactions (the rate in effect for the January-June period). Collections also include delinquent tax payments reflecting the tax rate in effect at the time of the transaction: collections for any given fiscal year may reflect multiple tax rates.

SL 2015-2, s.2.2.(a) sets the motor fuel excise tax rate at 36¢ per gallon effective for the period April 1, 2015, through December 31, 2015, and rewrites § 105-449.80 establishing the following tax rate schedule and calculation for determining the tax rate for calendar year periods beginning on or after January 1, 2017:

<u>Period</u>	<u>Rate per gallon</u>	†††The percentage is 100% plus or minus the sum of the following:
January 1, 2016-June 30, 2016	35¢	(1) % change in population for the applicable calendar year as estimated under § 143C-2-2, multiplied by 75%
July 1, 2016-December 31, 2016	34¢	(2) annual % change in the CPI-U [US city average for energy index] released in October prior to the applicable
calendar year beginning on January 1, 2017	34¢, multiplied by a percentage†††	calendar year by the BLS of the USDL, multiplied by 25% [SL 2023-134 substitutes November for October]
calendar years beginning on/after January 1, 2018	amount for the preceding calendar year, multiplied by a percentage†††	

SL 2020-91, s.4.2. (HB77) (effective July 1, 2020) sets a temporary floor on the motor fuel excise tax rate. The legislation modifies the motor fuel excise tax rate calculated by § 105-449.80(a) for calendar years 2021 and 2022: for calendar year 2021, the motor fuel excise tax rate was legislated to be the greater of 36.1¢ per gallon or the rate calculated under § 105-449.80(a); for calendar year 2022, SL 2020-91 modifies the statutory calculation by replacing 'amount for the preceding calendar year' with the amount the motor fuel excise tax rate would have been for calendar year 2021 as calculated under § 105-449.80(a), except for modified tax rate provisions within SL 2020-91 for calendar year 2021. The motor fuel excise tax rate applicable for calendar year 2022 is 38.5¢ per gallon.

††In addition to the per gallon motor fuel excise taxes, a 0.25¢ per gallon inspection tax is levied upon every gallon of motor fuel, alternative fuel used to operate a highway vehicle, kerosene, jet fuel, and aviation gasoline. [§ 119-18(a)]

‡A road tax for the privilege of using the streets and highways of this State is imposed upon every motor carrier on the amount of motor fuel or alternative fuel used by a carrier in its operations within this State.

Such carriers are entitled to a credit for tax paid by the carrier on fuel purchased in the State.

TABLE 53. -Continued

Exceptional legislative rate provisions:

Fiscal year 2006-07

SL 2006-66, s. 24.3(a) amends § 105-449.80(a) to cap the variable wholesale component of the motor fuels excise tax at 12.4¢ per gallon effective for the period July 1, 2006 through June 30, 2007.

Fiscal years 2007-08 and 2008-09

SL 2007-323, s. 31.15(a) amends § 105-449.80(a) to cap the variable wholesale component of the motor fuels excise tax at 12.4¢ per gallon effective for the period July 1, 2007 through June 30, 2009.

Fiscal years 2009-10 through 2010-11

SL 2009-108, s. 1 amends the rate provisions to impose a floor on the variable wholesale component of the motor fuels excise tax rate for the period July 1, 2009 through June 30, 2011. For this period, the variable wholesale component of the motor fuels excise tax rate is the greater of 12.4¢ per gallon or 7% of the average wholesale price of motor fuel for the applicable six-month base period.

Fiscal year 2012-13

SL 2012-142, s. 24.11 amends § 105-449.80(a) to cap the motor fuels excise tax at 37.5¢ per gallon [17.5¢ per gallon flat rate plus 20¢ per gallon variable wholesale component] for the period July 1, 2012 through June 30, 2013.

Fiscal year 2013-14 through 2014-15

SL 2013-316, s. 8(a) amends § 105-449.80(a) to reinstate a cap of 37.5¢ per gallon [17.5¢ per gallon flat rate plus 20¢ per gallon variable wholesale component] for the period October 1, 2013 through June 30, 2015; since the cap became effective midway through the initial semiannual rate period for fiscal year 2013-14, the chart provides two separate rates: the tax rate in effect for the transaction period July 1, 2013 through September 30, 2013 (37.6¢) and the tax rate in effect for the transaction period beginning October 1, 2013 (37.5¢).

Figure 53.1 Motor Fuel Taxes Gross Collections

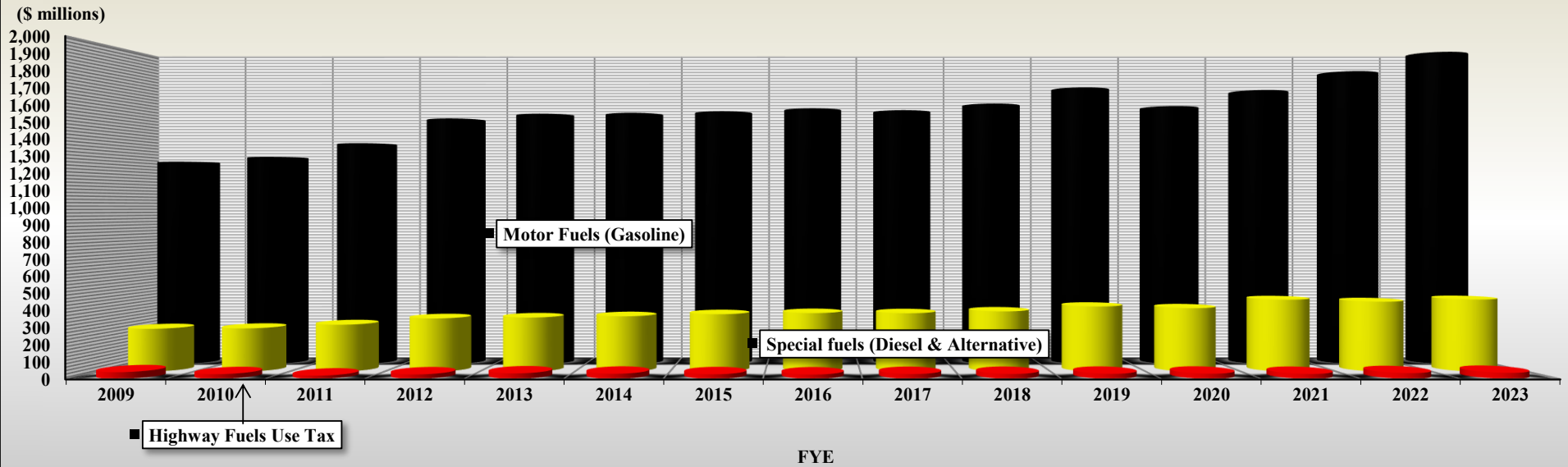


Figure 53.2 Gallons of Fuel on which Tax was Collected

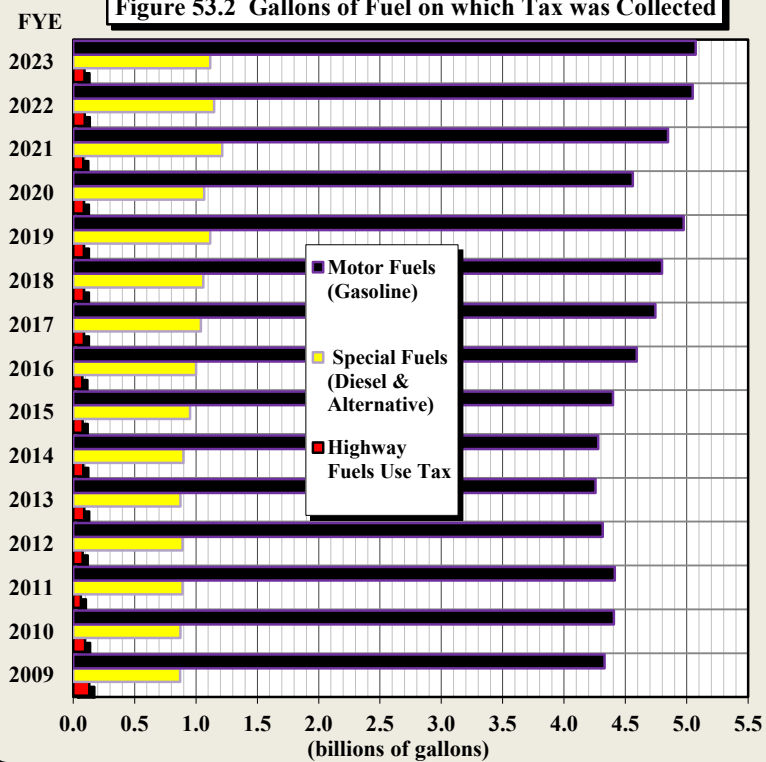


Figure 53.3 Growth Patterns of Motor Fuel Taxes Gross Collections

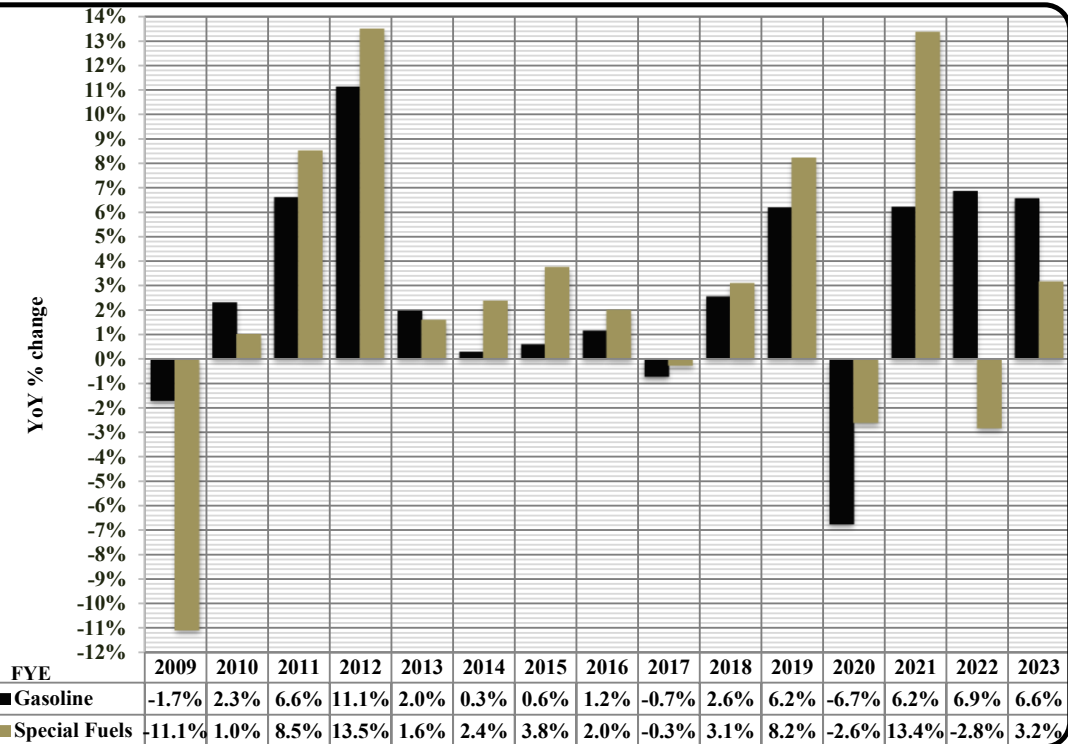


TABLE 54 . GALLONS OF FUEL SOLD IN NORTH CAROLINA: TAXABLE AND NON-TAXABLE

[Excludes Highway Fuel Use Gallons as State of Purchase is Unidentifiable]

Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020.

Fiscal year	Non-taxable gallons											Total All Sources	Taxable gallons: Motor Fuels Special Fuels†	Total gallons sold					
	U.S. Government	State Agencies	Combined U.S./State	School Boards	County/Municipal	Charter Schools	Community Colleges	Aviation Fuels:						Jet Fuel	Gasoline	Aviation Total	% Change	Non-taxable	% Change
								Jet Fuel	Gasoline	Aviation Total	% Change								
2008-09...	4,861,585	20,975,370	25,836,955	17,673,430	3,250,118	-	32,346	425,860,791	4,746,422	430,607,213	11.92%	477,400,062	5,200,049,538	5,677,449,600	-2.49%				
2009-10...	5,656,668	22,517,253	28,173,921	14,602,997	5,051,388	-	69,406	404,135,491	6,516,259	410,651,750	-4.63%	458,549,462	5,281,070,933	5,739,620,395	1.10%				
2010-11...	4,754,331	21,790,343	26,544,674	14,415,126	5,111,777	-	201,323	487,848,968	8,041,656	495,890,624	20.76%	542,163,524	5,304,865,142	5,847,028,666	1.87%				
2011-12...	3,710,968	16,512,393	20,223,361	14,785,943	5,565,244	-	550,797	522,524,801	6,457,926	528,982,727	6.67%	570,108,072	5,207,284,605	5,777,392,677	-1.19%				
2012-13...	3,888,954	17,027,125	20,916,079	13,742,312	6,549,048	-	675,839	472,321,798	5,449,798	477,771,596	-9.68%	519,654,874	5,130,183,912	5,649,838,786	-2.21%				
2013-14...	3,829,640	15,411,688	19,241,328	13,880,598	5,653,015	125,079	728,612	508,260,150	4,102,420	512,362,570	7.24%	551,991,202	5,176,206,026	5,728,197,228	1.39%				
2014-15...	3,652,794	15,695,354	19,348,148	12,768,550	5,990,930	-	708,004	500,324,546	5,022,071	505,346,617	-1.37%	544,162,249	5,348,814,672	5,892,976,921	2.88%				
2015-16...	3,100,701	20,831,936	23,932,637	12,509,659	4,941,539	9,906	358,769	524,041,653	3,876,003	527,917,656	4.47%	569,670,166	5,594,926,132	6,164,596,298	4.61%				
2016-17...	1,963,256	19,898,006	21,861,262	9,653,252	4,594,004	-	87,221	556,715,621	3,968,744	560,684,365	6.21%	596,880,104	5,782,648,620	6,379,528,724	3.49%				
2017-18...	956,634	19,595,476	20,552,110	8,945,434	4,108,239	-	65,871	568,722,948	4,167,817	572,890,765	2.18%	606,562,419	5,856,839,177	6,463,401,596	1.31%				
2018-19...	1,054,649	18,898,565	19,953,214	8,609,685	4,728,062	-	38,214	590,667,498	4,005,446	594,672,944	3.80%	628,002,119	6,091,962,356	6,719,964,475	3.97%				
2019-20...	941,366	16,334,663	17,276,029	6,624,256	3,604,946	-	4,483	518,041,470	5,292,418	523,333,888	-12.00%	550,843,602	5,627,057,718	6,177,901,320	-8.07%				
2020-21...	829,810	15,911,191	16,741,001	5,500,177	4,614,182	242	6,883	428,012,751	5,603,948	433,616,699	-17.14%	460,479,184	6,062,410,106	6,522,889,290	5.58%				
2021-22...	854,975	15,589,725	16,444,700	7,276,054	4,502,789	-	-	536,155,708	6,034,278	542,189,986	25.04%	570,413,529	6,196,413,861	6,766,827,390	3.74%				
2022-23...	840,059	14,871,361	15,711,420	8,435,133	5,632,848	-	-	568,662,096	5,790,632	574,452,728	5.95%	604,232,129	6,189,738,075	6,793,970,204	0.40%				

na = breakdown unavailable †Special fuels amounts are primarily diesel fuel.

Exemptions for county/municipal, charter schools, and community colleges were enabled by recent legislation. Prior to January 1, 2003, local governments were entitled to a refund of a portion of taxes paid on motor fuels; effective for transactions on or after January 1, 2003, the refund provision was repealed and replaced by an exemption provision. SL 2018-39 exempts motor fuel sold to a joint agency created by interlocal agreement pursuant to § 160A-462 to provide fire protection, emergency services, or police protection (effective October 1, 2018).

Figure 54.1 Gallons of Fuel Sold in North Carolina by Type [Taxable and Nontaxable]

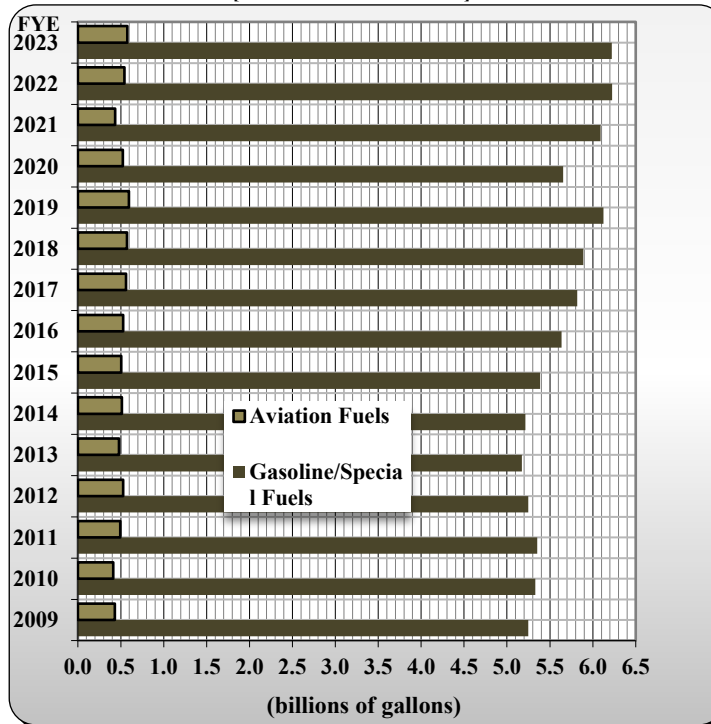


Figure 54.2 Gallons of Fuel Sold in North Carolina: Growth Trends [FYs 2008-09 to 2022-23]

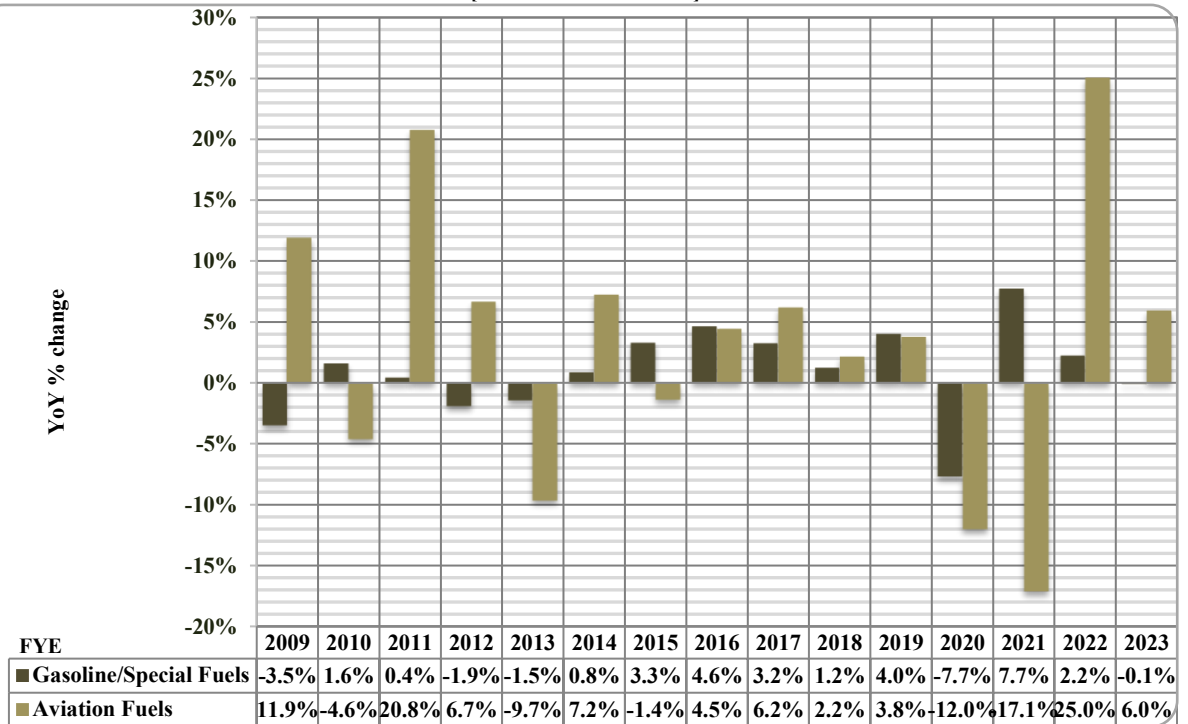


TABLE 55. 1/4 CENT MOTOR FUELS AND OIL INSPECTION FEES

[§ 119 ARTICLE 3.]

Due to COVID-19 and the Internal Revenue Service's response to the pandemic, the Secretary of Revenue and the 2020 General Assembly provided various forms of tax relief to include a deferral (without penalty) of certain tax return filing and tax payment due dates to July 15, 2020 (fiscal year 2020-2021) that otherwise fell due during the fiscal year ended June 30, 2020.

Fiscal year	Tax Collections Generated from the 1/4¢ Per Gallon Rate by Motor Fuel Type:				Motor Fuels†			Aviation Fuels and Other Kerosene			Combined Fuels Totals		
	Gasoline [\$]	Diesel [\$]	Kerosene [\$]	Alternative [\$]	Gallons on which tax was collected [#]	Tax collections at 1/4¢ per gallon rate		Gallons on which tax was collected [#]	Tax collections at 1/4¢ per gallon rate		Gallons on which tax was collected [#]	Tax collections at 1/4¢ per gallon rate	
						Amount [\$]	% Change		Amount [\$]	% Change		Amount [\$]	% Change
2008-09.....	10,505,557	3,120,420	66,199	3,426	5,477,691,240	13,695,602	-3.76%	352,182,740	880,458	16.72%	5,829,873,980	14,576,060	-2.73%
2009-10.....	10,943,376	3,104,645	74,207	3,403	5,650,178,148	14,125,631	3.14%	392,309,268	983,141	11.66%	6,042,487,416	15,108,772	3.65%
2010-11.....	10,782,413	3,148,776	59,250	2,673	5,597,145,580	13,993,111	-0.94%	482,497,228	1,206,286	22.70%	6,079,642,808	15,199,397	0.60%
2011-12.....	10,875,540	3,024,137	43,443	3,524	5,578,029,148	13,946,644	-0.33%	524,381,148	1,311,282	8.70%	6,102,410,296	15,257,926	0.39%
2012-13.....	10,580,052	3,005,253	41,454	5,821	5,452,924,696	13,632,580	-2.25%	473,580,316	1,183,972	-9.71%	5,926,505,012	14,816,553	-2.89%
2013-14.....	10,677,209	3,144,859	47,898	7,469	5,550,916,556	13,877,434	1.80%	510,100,144	1,275,251	7.71%	6,061,016,700	15,152,686	2.27%
2014-15.....	10,934,463	3,319,422	51,000	11,774	5,726,207,376	14,316,658	3.17%	505,189,784	1,262,983	-0.96%	6,231,397,160	15,579,642	2.82%
2015-16.....	11,553,703	3,442,137	39,687	17,235	6,020,805,700	15,052,762	5.14%	535,032,440	1,338,209	5.96%	6,555,838,140	16,390,971	5.21%
2016-17.....	11,893,158	3,461,056	32,581	28,278	6,165,889,176	15,415,073	2.41%	576,595,436	1,441,489	7.72%	6,742,484,612	16,856,563	2.84%
2017-18.....	12,251,503	4,180,580	39,980	25,708	6,593,758,736	16,497,771	7.02%	570,427,836	1,426,070	-1.07%	7,164,186,572	17,923,840	6.33%
2018-19.....	12,201,996	3,379,271	36,157	32,602	6,257,873,756	15,650,027	-5.14%	589,246,676	1,473,117	3.30%	6,847,120,432	17,123,144	-4.47%
2019-20.....	11,977,836	3,322,070	31,675	33,866	6,145,374,688	15,365,446	-1.82%	535,434,244	1,338,586	-9.13%	6,680,808,932	16,704,032	-2.45%
2020-21.....	12,513,447	3,694,483	33,274	33,041	6,508,962,196	16,274,244	5.91%	458,203,068	1,145,508	-14.42%	6,967,165,264	17,419,752	4.28%
2021-22.....	12,493,563	3,571,939	28,119	36,464	6,450,802,464	16,130,084	-0.89%	535,130,764	1,337,864	16.79%	6,985,933,228	17,467,948	0.28%
2022-23.....	12,134,755	3,468,897	20,126	36,077	6,263,700,444	15,659,854	-2.92%	569,704,172	1,424,300	6.46%	6,833,404,616	17,084,154	-2.20%

Collections include tax and interest as applicable.

†Includes gasoline, diesel, kerosene, and alternative fuels.

1/4¢ motor fuels and oil inspection fee and base:

An inspection tax of 1/4¢ per gallon is levied on the following fuel regardless of whether the fuel is exempt from the per gallon excise tax imposed by Article 36C or 36D of § 105: motor fuel, alternative fuel used to operate a highway vehicle, kerosene, jet fuel, and aviation gasoline. [§ 119-18(a)]

