

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 [\$]	Refunds [\$]	Privilege Tax Net Collections Before & After Transfers								Year-over-year % change				
			Net collections before transfers [\$]	Solid Waste Management Trust Fund [\$]	Intergovernmental inter-fund transfers [\$]	N.C. Public Campaign Financing Fund [\$]	Collection fees on overdue tax debts [\$]	OSBM Civil Penalty & Forfeiture Fund [\$]	Collection cost of fines/forfeitures [\$]	Collections to General Fund [\$]	Privilege tax gross collections	Privilege tax refunds	Net collections before transfers	Amount to General Fund	
2000-01.....	44,764,410	60,010,756	(15,246,346)	-	(18,200,000)	-	-	-	-	2,953,654	2,953,654	0.55%	8,608.97%	-134.79%	-93.26%
2001-02.....	45,416,598	624,801	44,791,797	52	18,200,000	-	12,643	-	-	26,579,102	26,579,102	1.46%	-98.96%	393.79%	799.87%
2002-03.....	44,908,220	167,145	44,741,075	486	-	-	19,346	-	-	44,721,244	44,721,244	-1.12%	-73.25%	-0.11%	68.26%
2003-04.....	42,032,598	346,785	41,685,813	49	-	49,746	20,324	-	-	41,615,694	41,615,694	-6.40%	107.48%	-6.83%	-6.94%
2004-05.....	45,191,583	143,550	45,048,033	92	-	36,821	19,100	-	-	44,992,019	44,992,019	7.52%	-58.61%	8.07%	8.11%
2005-06.....	46,503,672	596,339	45,907,333	1,667	-	23,246	21,581	291,335	-	45,569,504	45,569,504	2.90%	315.42%	1.91%	1.28%
2006-07.....	50,670,355	4,059,726	46,610,628	1,802	-	-	16,809	313,128	1,305	46,277,585	46,277,585	8.96%	580.78%	1.53%	1.55%
2007-08.....	57,268,276	615,518	56,652,758	7	-	-	17,138	325,277	1,329	56,309,007	56,309,007	13.02%	-84.84%	21.54%	21.68%
2008-09.....	39,707,960	1,858,993	37,848,967	36	-	-	20,757	311,257	1,310	37,515,608	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	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	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	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	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	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	41,066,599	-10.06%	793.42%	-17.62%	-17.79%

**Privilege tax rates and bases:**

**Rate**

3% of gross receipts  
[rate repealed  
on/after 1/1/14]†

1% of gross receipts  
[rate repealed  
on/after 1/1/14]††  
\$50

\$12.50

.277% of face value

\$250 annual tax

\$30 per \$1 million in assets

\$15 per ton

**Base**

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)]  
Attorneys-at-law and other professionals. Effective for tax years beginning on/after July 1, 2008, home inspectors licensed under the NC Home Inspector Licensure Act (includes associate home inspectors). 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.

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 (\$250 per location)

Banks and banking associations [Repealed by SL 2015-241, s. 32.13(g), as amended by SL 2015-268, s. 10.1(h), effective June 30, 2016.]

Publishers of newspaper publications: the number of tons by which a newspaper 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 by SL 2015-286, s. 4.11(a), effective October 22, 2015.]

**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 newspaper 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 license tax levied on loan agencies or brokers was repealed; concurrently, the quarterly tax rate was increased from .275% of face value to .277%. 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:**

In fiscal year 2000-01, funds were transferred from the individual income tax account to the privilege tax account to make payment of a court-ordered refund; in fiscal year 2001-02 a subsequent transfer of \$18.2 million from the privilege tax account reimbursed the individual income tax account. *Privilege tax gross collections* and *Net collections before transfers* columns do not reflect the transfer of funds so as not to alter the reporting of taxpayer remittance levels. The *Collections to General Fund* column reflects the actual handling of the transfers, reporting the \$18.2 million as a transfer receivable from the individual income tax account in 2000-01 and as an account payable transfer to the individual income tax account in 2001-02. 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)]