



North Carolina Department of Revenue

Pat McCrory  
Governor

Lyons Gray  
Secretary

July 18, 2014

Account ID [REDACTED]  
FID: [REDACTED]

[REDACTED]  
[REDACTED]  
[REDACTED]

Attention: [REDACTED]

Re: Exemption from North Carolina Sales & Use Tax by a Contractor for the [REDACTED] [REDACTED]

Dear Mr. [REDACTED]

We have your Form NC-PLR, Request for Private Letter Ruling, remittance of \$500.00, and your letter dated February 10, 2014. You have requested a ruling from the Department regarding exemption from North Carolina Sales and Use Tax with regards to the U.S. Department of Labor's (DOL) Cost Reimbursable Contract # [REDACTED] at [REDACTED] North Carolina.

It is our understanding that [REDACTED] [REDACTED] [REDACTED] [REDACTED] will operate the [REDACTED] [REDACTED] [REDACTED] Center under contract with the United States Department of Labor. Based on the information provided it is determined that [REDACTED] [REDACTED] [REDACTED] [REDACTED] purchases of tangible personal property, digital property, and services for use in operating [REDACTED] [REDACTED] [REDACTED] Center in [REDACTED] North Carolina, are exempt from the North Carolina 4.75% general State and applicable local and transit rates of sales and use tax.

Tangible personal property, digital property, and services sold directly to [REDACTED] [REDACTED] and [REDACTED] [REDACTED] [REDACTED] [REDACTED] which are delivered to the [REDACTED] Centers located in North Carolina, are exempt from 4.75% general State and applicable local and transit rates of sales and use tax. Based on the nature of the transaction and the fact that the sales are exempt by Federal Law, it will not be necessary for [REDACTED] [REDACTED] and [REDACTED] [REDACTED] [REDACTED] [REDACTED] to furnish vendors with any type of certificates verifying that the transaction is nontaxable.

All purchase orders should make reference to the federal contract number and that such contract is exempt from tax as provided by Section 158(d) of the Workforce Investment Act of 1998 (WIA) 20 U.S.C. Sec 9201 and 20 CFR 670.945. You may furnish your vendors with a copy of this letter as their authority for not charging sales and use tax on sales to [REDACTED] [REDACTED] [REDACTED] [REDACTED] for the purpose of operating your [REDACTED] Center. Vendors should retain a copy of this letter and all purchase orders as part of their permanent records.

Page 2

July 18, 2014

This ruling is based solely on the facts submitted to the Department of Revenue for consideration of the transactions described. If the facts and circumstances given are not accurate, or if they change, then the taxpayer requesting this ruling may not rely on it. If a taxpayer relies on this ruling and the Department discovers, upon examination, that the fact situation of the taxpayer is different in any material aspect from the facts and circumstances given in this ruling, then the ruling will not afford the taxpayer any protection. It should be noted that this document is not to be cited as precedent and that a change in statute, a regulation, or case law could void this ruling.

If you have any questions, you may reach me at the number listed at the bottom of the first page of this letter.

Very truly yours,

Administration Officer  
Sales and Use Tax Division

cc: , Director – Sales and Use Tax Division