

Form E-500E Combined General Rate Sales and Use Tax Return (Utility, Liquor, Gas, and Other)

General Instructions

1. Use Form E-500E to file and report the sales and use taxes due on sales and purchases of piped natural gas, electricity, telecommunications service and ancillary service, video programming including direct-to-home satellite service, antique spirituous liquor and spirituous liquor other than mixed beverages, aviation gasoline, and jet fuel.
2. You must file a tax return for each filing period on or before the file by date. If you do not file on time, you will receive a delinquent notice and may owe penalty and interest. **If you do not owe any tax for a filing period, you must file a return and enter zero (0.00) on Line 18. Do not write "No Tax Due" or any similar text on the return.**

If your business is seasonal and you registered as a seasonal business, only file returns for the seasonal filing periods indicated for combined general rate sales and use tax on the business registration form unless you have business activity during other filing periods. If you have business activity in other filing periods, you must file returns for those periods.

3. Complete the Combined General Rate Sales and Use Tax Return (Utility, Liquor, Gas, and Other) in its entirety on your computer and print the return.
4. **If the ownership of your business changes**, the new owner must submit a new registration application to obtain a new combined general rate sales and use tax account number.

If you discontinue business operations or sell your business, you must complete [Form NC-BN, Out-of-Business Notification](#). You can now complete and submit the Form NC-BN online at ncdor.gov, or you can mail the paper Form NC-BN separate from any return to the address shown on the form.

5. A retailer who sells piped natural gas, electricity, or telecommunications service and ancillary service is required to report sales on the accrual basis. The service is considered to accrue when the provider bills its customer for the sale.
6. You must pay the tax due when your return is due. If you do not pay the tax due on or before the file by date, you will owe penalty and interest.

You must pay in U.S. dollars. Unless you are required to pay electronically, you may pay by check or money order drawn on a U.S. (domestic) bank. Make any check or money order payable to the North Carolina Department of Revenue and write your account number and tax period in the memo section. Do not mail cash, stamps, or postdated checks.

7. Sign each return and payment and mail to the address on the return.

How to Prepare Return: Specific Line and Column Instructions

Piped natural gas retailers - Complete Lines 1, 2, 3, 4, and 11 through 18.

Electricity retailers - Complete Lines 1, 2, 3, 5, and 11 through 18.

Telecommunications service and ancillary service retailers - Complete Lines 1, 2, 3, 6, and 11 through 18.

Direct-to-home satellite service retailers - Complete Lines 1, 2, 3, 7, and 11 through 18.

Video programming retailers other than direct-to-home satellite service retailers - Complete Lines 1, 2, 3, 8, and 11 through 18.

Antique spirituous liquor and spirituous liquor retailers - Complete Lines 1, 2, 3, 9, and 11 through 18.

Aviation gasoline and jet fuel retailers - Complete Lines 1, 2, 3, 10, and 11 through 18.

Line 1 - Gross Receipts or Sales: Enter the total amount of your gross receipts or sales derived from piped natural gas, electricity, telecommunications service and ancillary services, video programming including direct-to-home satellite service, antique spirituous liquor and spirituous liquor other than mixed beverages, aviation gasoline, and jet fuel. **Do not include any sales and use taxes collected in the amount you enter on Line 1.**

Line 2 - Exempt Gross Receipts or Sales for Resale: Enter the total amount of receipts included on Line 1 that were derived from items sold for resale. **Do not include this amount on Line 3 or later lines.**

Line 3 - Exempt Gross Receipts or Sales: Enter the total amount of receipts included on Line 1 that were exempt from sales and use tax. **Do not include any receipts reported on Line 2.**

Line 4 - Piped Natural Gas: In the "Receipts and Purchases" column, you should enter the total amount of your taxable gross receipts and purchases of piped natural gas. Next, multiply the total "Receipts and Purchases" by 7% (.07) and enter the amount in the "Tax" column.

Line 5 - Electricity: In the “Receipts and Purchases” column, you should enter the total amount of your taxable gross receipts and purchases of electricity. Next, multiply the total “Receipts and Purchases” by 7% (.07) and enter the amount in the “Tax” column.

Line 6 - Telecommunications Service and Ancillary Service: In the “Receipts and Purchases” column, you should enter the total amount of your taxable gross receipts and purchases of telecommunications service and ancillary services. Next, multiply the total “Receipts and Purchases” by 7% (.07) and enter the amount in the “Tax” column.

Line 7 - Direct-To-Home Satellite Service: In the “Receipts and Purchases” column, you should enter the total amount of your taxable gross receipts and purchases of direct-to-home satellite service. Next, multiply the total “Receipts and Purchases” by the 7% (.07) and enter the amount in the “Tax” column.

Line 8 - Video Programming Other Than Direct-To-Home Satellite Service: In the “Receipts and Purchases” column, you should enter the total amount of your taxable gross receipts and purchases of video programming services other than direct-to-home satellite service. Next, multiply the total “Receipts and Purchases” by 7% (.07) and enter the amount in the “Tax” column.

Line 9 - Spirituous Liquor: In the “Receipts and Purchases” column, you should enter the total amount of your taxable sales and purchases of antique spirituous liquor and spirituous liquor other than mixed beverages. Next, multiply the total “Receipts and Purchases” by 7% (.07) and enter the amount in the “Tax” column.

Line 10 - Aviation Gasoline and Jet Fuel: In the “Receipts and Purchases” column, you should enter the total amount of your taxable gross receipts and purchases of aviation gasoline and jet fuel. Next, multiply the total “Receipts and Purchases” by 7% (.07) and enter the amount in the “Tax” column.

Line 11 - Tax From Lines 4 - 10 Reverse: Add the amounts on Lines 4 through 10 of the “Tax” column, and enter the sum.

Line 12 - Excess Collections: If you collected more tax than was due from a customer on a sale, enter the total amount of your excess collections. See N.C. Gen. Stat. § 105-164.11 for additional information.

Line 13 - Tax Due: Enter the total amount by adding Lines 11 and 12.

Line 14 - Penalty: Enter the sum of the penalties that apply to you.

If you file a return after the due date, multiply the tax amount shown on Line 13 by 5% (.05) for each month, or part of a month, that the return is filed late. The maximum penalty is 25% of the total tax.

If you do not pay the tax when due, multiply the tax amount shown on Line 13 by 5% (.05). The Department will publish a notice if this penalty rate changes.

Line 15 - Interest: If you do not pay the tax when due, compute interest on the tax amount shown on Line 13. The interest rate is currently 7% per year or .583% per month through December 31, 2023. The interest rate for the period July 1, 2019 through December 31, 2022 was 5% per year or .417% per month. Check the current and past interest rates at ncdor.gov/taxes-forms/interest-rate.

Line 16 - Less Prepayment for This Period: *(This line is for use by taxpayers remitting \$20,000 or more in tax per month who have made a prior prepayment for this period.)* Enter the total amount of any electronic payment made for this period.

Line 17 - Prepayment for Next Period: This line is for taxpayers who are consistently liable for at least \$20,000 of tax per month. If you are required to make a prepayment, you must pay electronically. Prepayment is due with the return for the prior month. The prepayment must equal at least 65% of one of the following:

- (1) the amount of tax due for the current month,
- (2) the amount of tax due for the same month in the preceding year, or
- (3) the average monthly amount of tax due in the preceding calendar year.

Line 18 - Total Due: Enter the total amount you owe by adding Lines 13, 14, 15, and 17, and subtracting any prepayment on Line 16. This amount is due on the due date of the return.

Signature and Verification: You must sign and date your return. You should also include your title and phone number in the spaces provided.

Do not fold your return or payment.

Additional information about combined general rate sales and use taxes may be obtained from the Department’s website, ncdor.gov.