

**IMPORTANT NOTICE: EXTENSION OF CERTAIN SALES AND USE TAX EXEMPTIONS AND REFUNDS**

The following important information is addressed in this notice:

- North Carolina law extended the expiration date for certain exemptions and refunds that were set to expire on January 1, 2024.
- The extended exemptions and refunds.
- The new expiration dates for impacted exemptions and refunds.

**Background**

Effective October 3, 2023, [Session Law 2023-134](#) amends N.C. Gen. Stat. §§ 105-164.13(11b), 105-164.13(65), 105-164.13(65a), and 105-164.14A to extend the expiration date of certain sales and use tax exemptions and refunds from January 1, 2024 to a future date. The session law did not make any other changes to the impacted exemptions or refunds.

**Extended Exemptions**

The exemptions impacted by the extension and the new expiration dates for the exemptions are as follows:

<b>Statute</b>	<b>Exemption</b>	<b>New Expiration Date<sup>1</sup></b>
N.C. Gen. Stat. § 105-164.13(11b)	Exemption for qualifying sales of aviation gasoline and jet fuel to an interstate air business for use in a commercial aircraft or for use in a commercial aircraft in interstate or foreign commerce by a person whose primary business is scheduled passenger air transportation. <sup>2</sup>	January 1, 2029
N.C. Gen. Stat. § 105-164.13(65)	Exemption for qualifying sales to a professional motorsports racing team or a related member of a team for use in competition in a sanctioned race series. <sup>3</sup>	January 1, 2028
N.C. Gen. Stat. § 105-164.13(65a)	Exemption for sales of 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. <sup>4</sup>	January 1, 2028

<sup>1</sup> The exemptions and refunds do not apply to sales made on or after the expiration date.

<sup>2</sup> See Sales and Use Tax Technical Bulletin (“SUTB”) 12-2 and 50 for additional information about the exemption.

<sup>3</sup> SUTB 69-2 for additional information about the exemption.

<sup>4</sup> SUTB 69-2 for additional information about the exemption.

### **Extended Refunds**

The refunds impacted by the extension and the new expiration dates for the refunds are as follows:

<b>Statute</b>	<b>Refund</b>	<b>New Expiration Date</b>
N.C. Gen. Stat. § 105-164.14A(a)(4)	Refund for qualifying purchases of aviation gasoline and jet fuel by a motorsports racing team, a motorsports sanctioning body, or a related member of such a team or body. <sup>5</sup>	January 1, 2029
N.C. Gen. Stat. § 105-164.14A(a)(5)	Refund for professional motorsports racing team or a related member of a team for fifty percent (50%) of the sales and use tax paid by it on qualifying purchases. <sup>6</sup>	January 1, 2028

### **Assistance**

If you have questions about this notice, you may call the Department at 1-877-252-3052 (8:00 am until 4:30 pm EST, Monday through Friday).

*To the extent there is any change in the rate or amount of tax, change to a statute or regulation, or new case law subsequent to the date of this notice, the provisions in this important notice may be superseded or voided. To the extent that any provisions in any other notice, directive, bulletin, or published guidance regarding the subject of this notice and issued prior to the date of this notice conflict with this important notice, the provisions contained in this important notice supersede the previous guidance.*

---

<sup>5</sup> SUTB 69-3 for additional information about the refund.

<sup>6</sup> SUTB 69-4 for additional information about the refund.