

GENERAL ASSEMBLY OF NORTH CAROLINA
1989 SESSION

CHAPTER 1073
SENATE BILL 1588

AN ACT TO SIMPLIFY THE PRIVILEGE LICENSE TAX ON RESTAURANTS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-62 reads as rewritten:

"§ 105-62. Restaurants.

(a) Every person, firm, or corporation engaged in the business of operating a restaurant, cafe, cafeteria, ~~hotel,~~ hotel with dining service on the European plan, drugstore, or other place where prepared food is ~~sold,~~ sold shall apply for and procure from the Secretary of Revenue a State license for the privilege of ~~transacting such business. engaging in the business.~~ The tax for such the license shall be based on the number of persons provided with chairs, stools, or benches, and shall be one dollar (\$1.00) per person, with a minimum tax of fifty dollars (\$50.00): is fifty dollars (\$50.00) for a business that has no seating capacity for customers who purchase the food or seating capacity for no more than four customers and is eighty-five dollars (\$85.00) for a business that has seating capacity for at least five customers who purchase the food. ~~Provided, that the~~ The tax levied in this subsection shall does not apply to industrial plants maintaining a nonprofit restaurant, ~~cafe~~ cafe, or cafeteria solely for the convenience of its employees. ~~Provided further,~~ In addition, a person, firm, or corporation required to be licensed under this section is not required to procure the license under G.S. 105-102.5 for the same location.

(b) Repealed by Session Laws 1979, c. 150, s. 2.

(c) Counties, cities and towns shall not levy any license tax on the business taxed or any business exempted under this section, except that cities and towns may levy a license tax not in excess of one half of the ~~base~~ tax levied by the State.

(d) No tax shall be levied under this section, for the privilege of operating vending machines or the sale of any commodity through such machines, against any vending machine operator, licensed under G.S. 105-65.1 and required thereby to pay a gross receipts tax."

Sec. 2. This act shall become effective July 1, 1991.

In the General Assembly read three times and ratified this the 28th day of July, 1990.