

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SECOND EXTRA SESSION 1996**

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SENATE BILL 18

Short Title: No Sales Tax on Donated Items.

(Public)

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Sponsors: Senators Cochrane; Forrester, Simpson, Kincaid, McKoy, Carpenter, Ballantine, Speed, Foxx, Clark, Smith, Allran, McDaniel, Page, Shaw, Blust, Kincaid, Carrington, Horton, Little, Hartsell, Ledbetter, Blackmon, Davis, and Webster.

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Referred to: Finance.

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July 9, 1996

A BILL TO BE ENTITLED

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2 AN ACT TO EXEMPT FROM SALES AND USE TAX TANGIBLE PERSONAL  
3 PROPERTY THAT IS MANUFACTURED OR PURCHASED FOR RESALE BY A  
4 WHOLESALE MERCHANT OR A RETAILER AND THEN DONATED TO A  
5 NONPROFIT ORGANIZATION TO BE USED FOR A CHARITABLE PURPOSE.

6 The General Assembly of North Carolina enacts:

7 Section 1. G.S. 105-164.13 is amended by adding a new subdivision to read:

8 "(42) Tangible personal property that is purchased by a retailer for resale or is  
9 manufactured or purchased by a wholesale merchant for resale and then  
10 withdrawn from inventory and donated by the retailer or wholesale  
11 merchant to a nonprofit organization, contributions to which are  
12 deductible as charitable contributions for federal income tax purposes."

13 Sec. 2. G.S. 105-164.13(13a) and (31b) are repealed.

14 Sec. 3. This act is effective upon ratification.