

**GENERAL STATUTES OF NORTH CAROLINA  
CHAPTER 160A. CITIES AND TOWNS.  
ARTICLE 9. TAXATION.**

**§ 160A-211 Privilege license taxes.**

(a) Authority. -- Except as otherwise provided by law, a city shall have power to levy privilege license taxes on all trades, occupations, professions, businesses, and franchises carried on within the city. A city may levy privilege license taxes on the businesses that were formerly taxed by the State under the following sections of Article 2 of Chapter 105 of the General Statutes only to the extent the sections authorized cities to tax the businesses before the sections were repealed:

G.S. 105-36	Amusements -- Manufacturing, selling, leasing, or distributing moving picture films.
G.S. 105-36.1	Amusements -- Outdoor theatres.
G.S. 105-37	Amusements -- Moving pictures -- Admission.
G.S. 105-42	Private detectives and investigators.
G.S. 105-45	Collecting agencies.
G.S. 105-46	Undertakers and retail dealers in coffins.
G.S. 105-50	Pawnbrokers.
G.S. 105-51.1	Alarm systems.
G.S. 105-53	Peddlers, itinerant merchants, and specialty market operators.
G.S. 105-54	Contractors and construction companies.
G.S. 105-55	Installing elevators and automatic sprinkler systems.
G.S. 105-61	Hotels, motels, tourist courts and tourist homes.
G.S. 105-62	Restaurants.
G.S. 105-65	Music machines.
G.S. 105-65.1	Merchandising dispensers and weighing machines.
G.S. 105-66.1	Electronic video games.
G.S. 105-74	Pressing clubs, dry cleaning plants, and hat blockers.
G.S. 105-77	Tobacco warehouses.
G.S. 105-80	Firearms dealers and dealers in other weapons.
G.S. 105-85	Laundries.
G.S. 105-86	Outdoor advertising.
G.S. 105-89	Automobiles, wholesale supply dealers, and service stations.
G.S. 105-89.1	Motorcycle dealers.
G.S. 105-90	Emigrant and employment agents.
G.S. 105-91	Plumbers, heating contractors, and electricians.
G.S. 105-97	Manufacturers of ice cream.
G.S. 105-98	Branch or chain stores.
G.S. 105-99	Wholesale distributors of motor fuels.
G.S. 105-102.1	Certain cooperative associations.
G.S. 105-102.5	General business license.

(b) Barbershop and Salon Restriction. -- A privilege license tax levied by a city on a barbershop or a beauty salon may not exceed two dollars and fifty cents (\$2.50) for each barber, manicurist, cosmetologist, beautician, or other operator employed in the barbershop or beauty salon.

(c) Piped Gas Restriction. -- A city may not levy a privilege license tax on a person who is engaged in the business of supplying piped natural gas and is subject to tax under Article 5E of Chapter 105 of the General Statutes.

(d) Telecommunications Restriction. -- A city may not impose a license, franchise, or privilege tax on a company taxed under G.S. 105-164.4(a)(4c).

(R.C., c. 111, s. 13; 1862, c. 51; Code, s. 3800; Rev., s. 2924; C.S., s. 2677; 1949, c. 933; 1971, c. 698, s. 1; 1996, 2nd Ex. Sess., c. 14, s. 23; 1998-22, s. 12; 2001-430, s. 17.)

GENERAL STATUTES OF NORTH CAROLINA  
CHAPTER 153A. COUNTIES.  
ARTICLE 7. TAXATION.

**§ 153A-152. Privilege license taxes.**

(a) Authority. – A county may levy privilege license taxes on trades, occupations, professions, businesses, and franchises to the extent authorized by Article 2 of Chapter 105 of the General Statutes and any other acts of the General Assembly. A county may levy privilege license taxes to the extent formerly authorized by the following sections of Article 2 of Chapter 105 of the General Statutes before they were repealed:

G.S. 105-50	Pawnbrokers.
G.S. 105-53	Peddlers, itinerant merchants, and specialty market operators.
G.S. 105-55	Installing elevators and automatic sprinkler systems.
G.S. 105-58	Fortune tellers, palmists, etc.
G.S. 105-65	Music machines.
G.S. 105-66.1	Electronic video games.
G.S. 105-80	Firearms dealers and dealers in other weapons.
G.S. 105-89	Automobiles, wholesale supply dealers and service stations.
G.S. 105-89.1	Motorcycle dealers.
G.S. 105-90	Emigrant and employment agents.
G.S. 105-102.5	General business license.

(b) Telecommunications Restriction. – A county may not impose a license, franchise, or privilege tax on a company taxed under G.S. 105-164.4(a) (4c). (1973, c. 822, s. 1; 1996, 2nd Ex. Sess., c. 14, s. 22; 2001-430, s. 16.)

**Text of G.S. 105-36, 105-36.1, 105-37, 105-42, 105-45, 105-46, 105-50, 105-51.1, 105-53, 105-54, 105-55, 105-61, 105-62, 105-65, 105-65.1, 105-66.1, 105-74, 105-77, 105-80, 105-85, 105-86, 105-89, 105-89.1, 105-90, 105-91, 105-97, 105-98, 105-99, 105-102.1, and 105-102.5 at the time of their repeal by 1996, 2nd Ex. Sess., c. 14, s. 17, 27 effective July 1, 1997:**

**GENERAL STATUTES OF NORTH CAROLINA  
CHAPTER 105. TAXATION.  
SUBCHAPTER I. LEVY OF TAXES.  
ARTICLE 2. SCHEDULE B. LICENSE TAXES.**

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**§ 105-36 Amusements -- Manufacturing, selling, leasing, or distributing moving picture films.**

Every person, firm, or corporation engaged in the business of manufacturing, selling, leasing, furnishing and/or distributing films to be used in this State in moving picture theatres or other places at which an admission fee is charged shall apply for and obtain from the Secretary of Revenue a statewide license for the privilege of engaging in such business in this State, and shall pay for such license a tax of six hundred twenty-five dollars (\$625.00).

Counties, cities, and towns shall not levy a license tax on the business taxed under this section.

(1939, c. 158, s. 104; 1947, c. 981; 1965, c. 641; 1973, c. 476, s. 193; 1989, c. 584, s. 2.)

**§ 105-36.1 Amusements -- Outdoor theatres.**

(a) Every person, firm or corporation engaged in the business of operating an outdoor or drive-in moving picture show for compensation shall apply for and obtain in advance from the Secretary of Revenue a State license for the privilege of engaging in such business and shall pay for such license a tax of one hundred dollars (\$100.00).

(b) Cities and towns may levy a tax upon the businesses taxed in this section not in excess of that levied by the State.

(c) 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.

(1949, c. 392, s. 1; 1957, c. 1340, s. 2; 1959, c. 1259, s. 9F; 1973, c. 476, s. 193; 1981, c. 45, s. 1; 1989, c. 584, s. 3.)

**§ 105-37 Amusements -- Moving pictures -- Admission.**

(a) Every person, firm, or corporation engaged in the business of operating a moving picture show for compensation shall apply for and obtain in advance from the Secretary of Revenue a State license for the privilege of engaging in such business, and shall pay for such State license for each room, hall, or tent used a tax of two hundred dollars (\$200.00).

(b), (c) Repealed by Session Laws 1979, c. 801, s. 26.

(d) Repealed by Session Laws 1989, c. 584, s. 4.

(e) For any motion picture show operating three days or less each week, the tax levied shall be one half the annual tax provided above.

(e1) Motion picture shows promoted and managed by a qualifying corporation that operates a center for the performing and visual arts are exempt from the license tax imposed under this section if the motion pictures are shown at the center and if the showing of motion pictures is not the primary purpose of the center. As used in this subsection, "qualifying corporation" and "center for the performing and visual arts" have the same meaning as in

G.S. 105-37.1(a).

(e2) 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.

(f) Counties shall not levy any license tax on the business taxed under this section. On the businesses described in subsections (a) and (e), cities and towns may levy a license tax not in excess of that levied by the State.

Cities and towns may not levy a license tax on a business described in subsection (e1).

(1939, c. 158, s. 105; 1943, c. 400, s. 2; 1945, c. 708, s. 2; 1947, c. 501, s. 2; 1949, c. 392, s. 1; c. 1201; 1957, c. 1340, s. 2; 1959, c. 1259, s. 9G; 1973, c. 476, s. 193; 1977, c. 657, s. 1; 1979, c. 801, ss. 25-27; 1981, c. 45, ss. 2, 3; 1985 (Reg. Sess., 1986), c. 819, ss. 1, 2; 1989, c. 584, s. 4.)

#### **§ 105-42 Private detectives and investigators.**

(a) Every person engaged in business as a "private detective" or "private investigator" shall apply for and obtain from the Secretary of Revenue a statewide license for the privilege of engaging in such business, and shall pay for such license a tax of fifty dollars (\$50.00). However, no officer or employee of this State, or of the United States, or of any political subdivision of either, while such officer or employee is engaged in the performance of official duties within the course and scope of his governmental employment, shall be subject to the tax imposed by this section.

(b) "Private detective" or "private investigator" means any person who engages in the business of or accepts employment to furnish, agrees to make, or makes an investigation for the purpose of obtaining information with reference to:

(1) Crime or wrong done or threatened against the United States or any state or territory of the United States;

(2) The identity, habits, conduct, business, occupation, honesty, integrity, credibility, knowledge, trustworthiness, efficiency, loyalty, activity, movement, whereabouts, affiliations, associations, transactions, acts, reputation, or character of any person;

(3) The location, disposition, or recovery of lost or stolen property;

(4) The cause or responsibility for fires, libels, losses, accidents, damages, or injuries to persons or to properties, provided that scientific research laboratories and consultants shall not be included in this definition;

(5) Securing evidence to be used before any court, board, officer, or investigation committee; or

(6) Protection of individuals from serious bodily harm or death.

However, the employee of a security department of a private business which conducts investigations exclusively on matters internal to the business affairs of the business shall not be required to be licensed as a private detective or investigator under this section.

(c) So long as private detectives and private investigators are required to be licensed pursuant to the provisions of Chapter 74C of the General Statutes, or any successor thereto, no license shall be issued pursuant to this section until the applicant exhibits to the Secretary of Revenue an original or certified copy of the license required by Chapter 74C, or any successor thereto.

(d) No county, city or town shall levy any license tax on the business taxed under this section.

(1939, c. 158, s. 110; 1971, c. 814, s. 14; 1973, c. 476, s. 193; c. 794; 1975, c. 19, s. 27; 1981, c. 83, s. 6; 1989, c. 584, s. 8.)

#### **§ 105-45 Collecting agencies.**

(a) Every person, firm, or corporation engaged in the business of collecting, for a profit, claims, accounts, bills, notes, or other money obligations for others, and of rendering an account for same, shall be deemed a collection agency, and shall apply for and receive from the Secretary of Revenue a State license for the privilege of engaging in such business, and pay for such license a tax of fifty dollars (\$50.00).

(b) This section shall not apply to a regularly licensed practicing attorney at law.

(c) Counties shall not levy any license tax on the business taxed under this section, but cities and towns may levy a license tax not in excess of that levied by the State.

(1939, c. 158, s. 113; 1973, c. 476, s. 193.)

**§ 105-46 Undertakers and retail dealers in coffins.**

Every person, firm, or corporation engaged in the business of burying the dead, or in the retail sale of coffins, shall apply for and procure from the Secretary of Revenue a State license for transacting such business within this State, and shall pay for such license a tax of fifty dollars (\$50.00).

This section shall not apply to a cabinetmaker (who is not an undertaker) who makes coffins to order.

No county shall levy any license tax on the business taxed under this section, but cities and towns may levy a license tax not in excess of that levied by the State.

(1939, c. 158, s. 114; 1973, c. 476, s. 193; 1989, c. 584, s. 9.)

**§ 105-50 Pawnbrokers.**

(a) Every person, firm, or corporation engaged in and conducting the business of lending or advancing money or other things of value for a profit, and taking as a pledge for such loan specific articles of personal property, to be forfeited if payment is not made within a definite time, shall be deemed a pawnbroker, and shall pay for the privilege of transacting such business an annual license tax of two hundred seventy-five dollars (\$275.00).

(b) Before such pawnbroker shall receive any article or thing of value from any person or persons, on which a loan or advance is made, he shall issue a duplicate ticket, one to be delivered to the owner of said personal property and the other to be attached to the article, and said ticket shall have an identifying number on the one side, together with the date at the expiration of which the pledger forfeits his right to redeem, and on the other a full and complete copy of this subsection; but such pawnbroker may, after the pledger has forfeited his right to redeem the specific property pledged, sell the same at public auction, deducting from the proceeds of sale the money or fair value of the thing advanced, the interest accrued, and the cost of making sale, and shall pay the surplus remaining to the pledger.

(c) Any person, firm, or corporation transacting the business of pawnbroker without a license as provided in this section, or violating any of the provisions of this section, shall be guilty of a Class 3 misdemeanor and fined only not less than fifty dollars (\$50.00) nor more than five hundred dollars (\$500.00).

(d) Counties, cities, and towns may levy a license tax on the business taxed under this section not in excess of that levied by the State.

(1939, c. 158, s. 118; 1989, c. 584, s. 11; 1993, c. 539, s. 689; 1994, Ex. Sess., c. 24, s. 14(c).)

**§ 105-51.1 Alarm systems.**

(a) Every person, firm or corporation engaged in an alarm system business licensed under Chapter 74D of the General Statutes shall apply for and obtain from the Secretary of Revenue a State license for the privilege of engaging in that business and the installing, servicing and monitoring of fire alarms, smoke alarms and communication systems as part of such a business operation and shall pay for such license a tax of fifty dollars (\$50.00).

(b) Counties, cities, and towns may not levy a license tax on the business taxed under this section.

(c) A person, firm, or corporation required to be licensed under this section is not required to obtain a license under G.S. 105-102.5 for the same location.

(1983, c. 300, s. 1; 1985, c. 561, s. 10; 1989, c. 584, s. 13; 1991, c. 213, s. 2.)

**§ 105-53 Peddlers, itinerant merchants, and specialty market operators.**

(a) Peddler. -- Every person engaged in business or employed as a peddler shall obtain a license from the Secretary of Revenue for the privilege of peddling goods and shall pay a tax for the license in the amount specified in this section. A "peddler" is a person who travels from place to place with an inventory of goods, who sells the goods at retail or offers the goods for sale at retail, and who delivers the identical goods he carries with him. A peddler of only farm products shall pay a tax of twenty-five dollars (\$25.00) regardless of the number of counties in which he peddles goods. A peddler who travels from place to place on foot, selling goods other than or in addition to farm products, shall pay a tax of ten dollars (\$10.00) for each county in which he peddles goods. A peddler who travels from place to place by vehicle, selling goods other than or in addition to farm products, shall pay a tax of twenty-five dollars (\$25.00) for each county in which he peddles goods.

(b) Itinerant Merchant. -- Every person engaged in business as an itinerant merchant shall obtain a license from the Secretary of Revenue for the privilege of engaging in business and shall pay a tax for the license of one hundred dollars (\$100.00) for each county in which he is engaged in business. An "itinerant merchant" is a merchant, other than a merchant with an established retail store in the county, who transports an inventory of goods to a building, vacant lot, or other location in a county and who, at that location, displays the goods for sale and sells the goods at retail or offers the goods for sale at retail. An itinerant merchant's license is not required to engage in the business of a specialty market vendor at a location licensed as a specialty market under subsection (c) of this section or at a specialty market that is exempt from the license requirement under subsection (c) because the specialty market operator is the State or a unit of local government. A merchant who sells goods, other than farm products, in a county for less than six consecutive months is considered an itinerant merchant unless he stopped selling goods in that county because of his death or disablement, the insolvency of his business, or the destruction of his inventory by fire or other catastrophe.

(c) Specialty Market Operator. -- Every person, other than the State or a unit of local government, engaged in business as a specialty market operator shall obtain a license from the Secretary of Revenue for the privilege of engaging in business and shall pay a tax for the license of two hundred dollars (\$200.00) for each county in which he is engaged in business. A "specialty market operator" is a person, other than the State or a unit of local government, who rents space, at a location other than a permanent retail store, to others for the purpose of selling goods at retail or offering goods for sale at retail.

(d) Specialty Market Vendor. -- The requirements and penalties set out in subsections (i) through (m) of this section apply to every person engaged in business as a specialty market vendor who is liable for retail sales tax under Article 5 of this Chapter. A "specialty market vendor" is a merchant, other than a merchant with an established retail store in the county, who transports an inventory of goods to a specialty market licensed under subsection (c) of this section and who, at that location, displays the goods for sale and sells the goods at retail or offers the goods for sale at retail. A "specialty market" is a location, other than a permanent retail store, where space is rented to others for the purpose of selling goods at retail or offering goods for sale at retail.

(e) Exemptions. -- This section does not apply to the following:

(1) A peddler or itinerant merchant:

- a. Who sells farm or nursery products produced by him;
- b. Who sells crafts or goods made by him or his own household personal property;
- c. Who is a nonprofit charitable, educational, religious, scientific, or civic organization;
- d. Who sells printed material, wood for fuel, ice, seafood, meat, poultry, livestock, eggs, dairy products, bread, cakes, or pies; or
- e. Who is an authorized automobile dealer licensed pursuant to Chapter 20 of the General Statutes.

(2) A peddler who maintains a fixed permanent location from which he makes at least ninety percent (90%) of his sales, but who sells some goods in the county of his fixed location by peddling.

(3) An itinerant merchant:

- a. Who locates at a farmer's market;
- b. Who is part of the State Fair or an agriculture fair which is licensed by the Commissioner of Agriculture pursuant to G.S. 106-520.3; or
- c. Who sells goods at an auction conducted by an auctioneer licensed pursuant to Chapter 85B of the General Statutes.

(4) A peddler who complies with the requirements of G.S. 25A-38 through G.S. 25A-42, or who complies with the requirements of G.S. 14-401.13.

(f) Person Defined. -- As used in this section, "person" has the same meaning as in G.S. 105-164.3(11).

(g) County Exemption. -- The board of county commissioners of any county in this State, upon proper application, may exempt from the annual license tax levied upon peddlers and itinerant merchants in this section disabled veterans of World War I, World War II, Korean Conflict, and Vietnam Era, who have been bona fide residents of this State for 12 or more months continuously, and widows with dependent children; and when so exempted, the board of county commissioners shall furnish such person or persons with a certificate of exemption, and such certificate shall entitle the holder thereof to sell within the limits of the county without payment of any license tax to the State.

(h) Repealed by Session Laws 1989, c. 435, s. 1.

(i) Display and Possession of Licenses and Identification. -- An itinerant merchant shall keep both the license required by this section and the retail sales tax license conspicuously and prominently displayed, so as to be visible for inspection by patrons of the itinerant merchant at the places or locations at which the goods are to be sold or offered for sale. A peddler shall have the license required by this section and the retail sales tax license with him at all times he offers goods for sale and must produce them upon the request of any customer, State or local revenue agent, or law enforcement agent. A specialty market vendor shall keep the retail sales tax license conspicuously and prominently displayed, so as to be visible for inspection by patrons of the specialty market vendor at the places or locations at which the goods are to be sold or offered for sale. A specialty market operator shall have the license required by this section available for inspection during all times that the specialty market is open and must produce it upon the request of any customer, State or local revenue agent, or law enforcement agent.

Upon the request of any customer, State or local revenue agent, or law enforcement agent, a peddler, itinerant merchant, specialty market operator, or specialty market vendor shall provide its name and permanent address. If the peddler, itinerant merchant, specialty market operator, or specialty market vendor is not a corporation, he shall, upon the request of any customer, State or local revenue agent, or law enforcement agent, provide a valid driver's license, a special identification card issued under G.S. 20-37.7, military identification, or a passport bearing a physical description of the person named reasonably describing the peddler, itinerant merchant, specialty market operator, or specialty market vendor. If the peddler, itinerant merchant, specialty market operator, or specialty market vendor is a corporation, it shall, upon the request of any customer, State or local revenue agent, or law enforcement agent, give the name and registered agent of the corporation and the address of the registered office of the corporation, as filed with the North Carolina Secretary of State.

custody as evidence. Merchandise impounded under this subsection must be disposed of in accordance with G.S. 15-11.1.

(i1) Records of Source of New Merchandise. -- Each peddler, itinerant merchant, and specialty market vendor shall keep a written record of the source of new merchandise the merchant offers for sale. The record must be a receipt or an invoice from the person who sold the merchandise to the merchant. The invoice or receipt must specifically identify the product being sold by product name and quantity purchased and must contain the complete business name of the seller and a description of the type of business. If the seller was an individual, the receipt or invoice must contain the seller's drivers license number, its state of issuance and expiration date, and the seller's date of birth. The merchant must verify this information by comparing the seller's drivers license to the invoice or receipt and signing the invoice or receipt. A special identification card issued by the Division of Motor Vehicles may be used in place of the seller's drivers license for the purposes of providing and verifying information required under this subsection. If the seller was a corporation, the receipt or invoice must contain the corporation's federal tax identification number, the state of incorporation, the name and address of the corporation's registered agent in this State, if any, and the corporation's principal office address.

The merchant shall keep the record with the new merchandise being offered for sale and shall maintain the record for a period of three years after the merchandise is sold. Upon the request of a law enforcement agent, the merchant shall produce the record of the source of new merchandise the merchant offers for sale. A merchant's failure to produce either the requested record pursuant to this subsection or an affidavit pursuant to subsection (i2) of this section within a reasonable time of request by a law enforcement agent is prima facie evidence of possession of stolen property. Pending the production of the requested record or affidavit, the agent may take the merchandise into custody as evidence at the time the request is made. Merchandise impounded under this subsection must be disposed of in accordance with G.S. 15-11.1.

(i2) The merchant may satisfy the record requirement of subsection (i1) of this section by producing, in lieu of a receipt or invoice, an affidavit under oath or affirmation identifying the source of the merchandise for which a record is requested, including the name and address of the seller, the license number of any auctioneer seller, and the

date and place of purchase of the merchandise.

(i3) Notice of Records Requirement. -- A specialty market operator shall conspicuously post in plain view of all specialty market vendors a sign informing all vendors that, effective July 1, 1996, failure to produce, upon the request of a law enforcement agent, either the records required under subsection (i1) of this section or an affidavit pursuant to subsection (i2) of this section is prima facie evidence of possession of stolen property.

(j) Permission of Property Owner. -- An itinerant merchant or a peddler who travels from place to place by vehicle, in addition to other requirements of this section, shall obtain a written statement signed by the owner or lessee of any property upon which the itinerant merchant or peddler offers goods for sale giving the owner's or lessee's permission to offer goods for sale upon the property of the owner or lessee. Such statement shall clearly state the name of the owner or lessee, the location of the premises for which the permission is granted, and the dates during which the permission is valid. Further, such statement shall be conspicuously and prominently displayed, so as to be visible for inspection by patrons of the itinerant merchant or peddler, at the places or locations at which the goods are to be sold or offered for sale.

(k) Specialty Market Registration List. -- A specialty market operator shall maintain a daily registration list of all specialty market vendors selling or offering goods for sale at the specialty market. This registration list shall clearly and legibly show each specialty market vendor's name, permanent address, and retail sales and use tax registration number. The specialty market operator shall require each specialty market vendor to exhibit a valid retail sales tax license for visual inspection by the specialty market operator at the time of registration, and shall require each specialty market vendor to keep the retail sales tax license conspicuously and prominently displayed, so as to be visible for inspection by patrons of the specialty market vendor at the places or locations at which the goods are offered for sale. Each daily registration list maintained pursuant to this subsection shall be retained by the specialty market operator for no less than two years and shall at any time be made available upon request to any law enforcement officer.

(1) Misdemeanor Violations. -- It shall be a Class 3 misdemeanor for a person to do any of the following:

(1) Fail to obtain a license as required by this section.

(2) Knowingly give false information in the application process for a license or when registering pursuant to subsection (k).

(3) If the person is an itinerant merchant, fail to display the license as required by subsection (i); if the person is a peddler or specialty market operator, fail to produce the license as required by subsection (i); or, if the person is required to do so, fail to comply with subsection (j). Whenever satisfactory evidence shall be presented in any court of the fact that a license was required by this section and such license was not displayed or produced as required by subsection (i), or that permission was required by subsection (j) of this section and was not displayed, the peddler, itinerant merchant, or specialty market operator shall be found not guilty of that violation provided he produces in court a valid license or valid permission which had been issued prior to the time he was charged with such violation.

(4) Fail to provide name, address, or identification upon request as required by subsection (i) or provide false information in response to such a request.

(5) Repealed by Session Laws 1995, c. 378, s. 5, effective December 1, 1995.

It shall be a Class 1 misdemeanor to fail to either keep a record of new merchandise offered for sale as required by subsection (i1) of this section or to produce an affidavit pursuant to subsection (i2) of this section. It shall be a Class 1 misdemeanor to falsify a record required by subsection (i1) of this section.

(11) Additional Misdemeanor Violations. -- It shall be a Class 3 misdemeanor, which may include a fine of up to one thousand dollars (\$1,000), for a specialty market operator to fail to comply with subsection (k) or for a specialty market vendor to fail to display the retail sales tax license as required by subsection (i). For the purposes of this section, the requirement that a retail sales tax license be displayed is satisfied if the vendor displays either (i) a copy of the license or (ii) evidence that the license has been applied for and the applicable license fee has been paid within 30 days before the date the license was required to be displayed. Whenever satisfactory evidence shall be presented in any court of the fact that display of a retail sales tax license was required by this section and such license was not displayed, the specialty market operator or vendor shall not be found guilty of that violation provided he produces in court a valid license which had been issued prior to the time he was charged with the violation.

(m) Local License. -- Counties and cities may levy a license tax on a business taxed under this section in an amount that does not exceed the State tax. Further, this section does not affect the authority of a county or city to impose additional requirements on peddlers, itinerant merchants, specialty market vendors, or specialty market operators by an ordinance adopted under G.S. 153A-125 or G.S. 160A-178.

(1939, c. 158, s. 121; 1941, c. 50, s. 3; 1943, c. 400, s. 2; 1945, c. 708, s. 2; 1951, c. 643, s. 2; 1955, c. 1315; 1973,

c. 476, s. 193; 1979, c. 74; 1981, c. 16; 1987, c. 213, s. 1; c. 708, ss. 1-6; 1987 (Reg. Sess., 1988), c. 1081, s. 2; 1989, c. 435; 1989 (Reg. Sess., 1990), c. 814, s. 3; 1993, c. 539, ss. 690, 691; 1994, Ex. Sess., c. 24, s. 14(c); 1993 (Reg. Sess., 1994), c. 731, s. 1; 1995, c. 378, ss. 2-6.)

**§ 105-54 Contractors and construction companies.**

(a) Every person, firm, or corporation who, for a fixed price, commission, fee, or wage, offers or bids to construct within the State of North Carolina any building, highway, street, sidewalk, bridge, culvert, sewer or water system, drainage or dredging system, railway, reservoir or dam, hydraulic or power plant, transmission line, tower, dock, wharf, excavation, grading or other improvement or structure, or any part thereof, the cost of which exceeds the sum of ten thousand dollars (\$10,000), shall apply for and obtain from the Secretary of Revenue an annual statewide license, and shall pay for such license a tax of one hundred dollars (\$100.00) at the time of or prior to offering or submitting any bid on any of the above enumerated projects.

(b) In addition to the tax levied in subsection (a) of this section, every person, firm, or corporation who, for a fixed price, commission, fee, or wage, undertakes or executes a contract for the construction, or who superintends the construction of any of the above enumerated projects, shall, before or at the time of entering into such projects and/or such contract, apply for and procure from the Secretary of Revenue a statewide license, and shall pay for such license the following tax:

When the total contract price or estimated cost of such project is over:

\$ 5,000 and not more than \$ 50,000 .....	\$ 50.00
50,000 and not more than 100,000 .....	125.00
100,000 and not more than 250,000 .....	175.00
250,000 and not more than 500,000 .....	300.00
500,000 and not more than 750,000 .....	400.00
750,000 and not more than 1,000,000 .....	500.00
1,000,000 .....	625.00

(c) The application for license under subsection (b) of this section shall be made to the Secretary of Revenue and shall be accompanied by the affidavit of the applicant, stating the contract price, if known, and if the contract price is not known, his estimate of the entire cost of the said improvement or structure, and if the applicant proposes to construct only a part of said improvement or structures, the contract price, if known, or his estimated cost of the part of the project he proposes to superintend or construct.

In the event the construction of any of the above-mentioned improvements or structures shall be divided and let under two or more contracts to the same person, firm, or corporation, the several contracts shall be considered as one contract for the purpose of this Article, and the Secretary of Revenue shall collect from such person, firm, or corporation the license tax herein imposed as if only one contract had been entered into for the entire improvement or structure.

(d) In the event any person, firm, or corporation has procured a license in one of the lower classes provided for in subsection (b) of this section, and constructs or undertakes to construct or to superintend any of the above-mentioned improvements or structures or parts thereof, the completed cost of which is greater than that covered by the license already secured, application shall be made to the Secretary of Revenue, accompanied by the license certificate held by the applicant, which shall be surrendered to the Secretary of Revenue, and upon paying the difference between the cost of the license surrendered and the price of the license applied for, the Secretary of Revenue shall issue to the applicant the annual statewide license applied for, showing thereon that it was issued on the surrender of the former license and payment of the additional tax.

(e) No employee or subcontractor of any person, firm, or corporation who or which has paid the tax herein provided for, shall be required to pay the license tax provided for in this section while so employed by such person, firm, or corporation.

(f) In the event joint bidders shall submit one joint bid for the construction of any of the projects enumerated under subsection (a), each of the joint bidders shall procure in his own name a bidder's license under subsection (a); provided, that if a joint bidder has already procured a bidder's license for the current year, he will not be required to procure an additional bidder's license by reason of joining in a joint bid, and the license so procured shall entitle the

licensee to submit other bids, either severally or in conjunction with others, during the remainder of the current license tax year. In the event a contract shall be awarded to joint bidders, a new project license shall be procured under subsection (b) in the full amount of the contract price or estimated cost of the project, in the same name or names under which the contract is awarded, which new license will be valid for the remainder of the license tax year for the same combination of joint bidders in other joint projects, but will not be valid for a part of the joint bidders, nor for all of them plus others, nor for a part of them plus others.

For the purpose of this subsection, "joint bidders" shall mean two or more separate entities consisting of either individuals, partnerships or corporations who or which combine for the purpose of submitting one joint bid for the construction of a particular project, or who or which jointly enter into a contract for the construction of a particular project.

(g) Counties shall not levy any license tax on the business taxed under this section, but cities and towns may levy an annual contractor's license tax not in excess of ten dollars (\$10.00) when the license provided for under this section has been paid: Provided, that this subsection shall not be construed to prevent the collection of building, electrical, and plumbing inspection charges by municipalities to cover the actual cost of said inspection.

(h) The tax under this section shall not apply to the business taxed in G.S. 105-91.

(1939, c. 158, s. 122; 1951, c. 643, s. 2; 1973, c. 476, s. 193; 1981, c. 18; 1989, c. 584, s. 14.)

#### **§ 105-55 Installing elevators and automatic sprinkler systems.**

(a) Every person, firm, or corporation engaged in the business of selling or installing elevators or automatic sprinkler systems shall apply for and procure from the Secretary of Revenue an annual statewide license for the transaction of such business in this State, and shall pay for such license a tax of one hundred dollars (\$100.00).

(b) Counties, cities, and towns in which there is located a principal office or a branch office may levy a tax on the business taxed under this section not in excess of that levied by the State.

Provided, however, no county, city, or town may collect tax under this section from any person, firm, or corporation who or which does not maintain an established place of business in said county, city or town.

(c) The businesses taxed and licensed hereunder shall not be liable for any tax or license levied under G.S. 105-91.

(1939, c. 158, s. 122 1/2; 1973, c. 476, s. 193.)

#### **§ 105-61 Hotels, motels, tourist courts and tourist homes.**

(a) Every person, firm, or corporation engaged in the business of operating any hotel or motel, tourist court, tourist home, or similar place advertising in any manner for transient patronage, or soliciting such business, shall apply for and procure from the Secretary of Revenue a State license for the privilege of transacting or engaging in such business, and shall pay for such license a tax of two dollars (\$2.00) per room. The minimum tax shall be fifty dollars (\$50.00).

For the purpose of this section, the lobby, clubroom, office, dining room, kitchen and rooms occupied by the owner or lessee of the premises, or members of his family, for his or their personal or private use, shall not be counted in determining the number of rooms for the basis of the tax. The tax herein levied shall be in addition to any tax levied in G.S. 105-62 for the sale of prepared food.

(b) Hotel as referred to in this section shall be given its general or customary meaning; that is, a building or group of buildings providing lodging and usually (but not necessarily) meals, entertainment, and various personal services for the public.

Motel as referred to in this section shall be given its general or customary meaning; that is, a building or group of buildings in which the rooms usually are directly accessible from an outdoor parking area and which are used primarily as lodgings for the public.

In addition to hotels and motels, there is included within the meaning of this section tourist courts, tourist homes and similar places -- including, but not limited to, tourist camps, semidetached apartments, resort lodgings and detached structures whenever the operator advertises in any manner for transient patronage, or solicits such business.

The principal test of liability is the use of such places for temporary abode by transient patrons. Such patrons are defined as staying for a short time, stopping for a brief period only, not permanent.

(c) It is immaterial for the purposes of this section whether the rental to patrons is on a daily, weekly, biweekly or monthly basis, and it is also immaterial, as to any particular room, whether such room is occupied by a "permanent" guest.

(d) "Advertising in any manner" within the meaning of this section shall be broadly construed to cover any media of advertising whereby the availability of the accommodations may be made known and includes, but is not limited to, signs, placards, folders, newspaper ads, classified ads, listings in commercial or tourist circulars and any other form or means whereby the accommodations may be publicized. Soliciting such business includes every form of solicitation, or listings with boards of trade or chambers of commerce, by a hotel, motel, or any other place referred to herein accommodating transient patrons.

(e) A single private residence or cottage designed for single family occupancy, located in a resort area, and occupied during a part of the season by the owner or owners thereof but rented the remainder of the season to others for single family occupancy, shall be exempt from the tax imposed in this section. All such private residences or cottages, in excess of one, so located, owned, occupied and rented shall be subject to the tax imposed in this section.

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

(1939, c. 158, ss. 126, 126 1/2; 1943, c. 400, s. 2; 1965, c. 1012, s. 1; 1973, c. 476, s. 193; 1977, c. 657, s. 1; 1989, c. 584, s. 16.)

#### **§ 105-62 Restaurants.**

(a) Every person, firm, or corporation engaged in the business of operating a restaurant, cafe, cafeteria, hotel with dining service on the European plan, drugstore, or other place where prepared food is sold shall apply for and procure from the Secretary of Revenue a State license for the privilege of engaging in the business. The tax for the license 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. The tax levied in this subsection does not apply to industrial plants maintaining a nonprofit restaurant, cafe, or cafeteria solely for the convenience of its employees. 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 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.

(1939, c. 158, s. 127; 1965, c. 1036; 1967, c. 1118, s. 1; 1973, c. 476, s. 193; 1979, c. 150, s. 2; 1989, c. 584, s. 18; 1989 (Reg. Sess., 1990), c. 1073, s. 1.)

#### **§ 105-65 Music machines.**

(a) Every person, firm, or corporation engaged in the business of operating, maintaining, or placing on location anywhere within the State of North Carolina, any machine or machines which plays records, or produces music, shall apply for and procure from the Secretary of Revenue a statewide license to be known as an annual operator's license, and shall pay for such license the sum of one hundred dollars (\$100.00).

(b) In addition to the above annual operator's license, every person, firm, or corporation operating any of the above machines, shall apply for and obtain from the Secretary of Revenue, what shall be termed an annual statewide

license for each machine operated and shall pay therefor the sum of ten dollars (\$10.00).

(c) The applicant for license under this section shall, in making application for license, specify the serial number of the machine or machines proposed to be operated, together with a description of the service offered for sale thereby, and the amount of deposit required by or in connection with the operation of such machine or machines. The license shall carry the serial number to correspond with that on the application, and no such license shall under any condition be transferable to any other machines. It shall be the duty of the person in whose place of business the machine is operated or located to see that the proper State license is attached in a conspicuous place on the machine before its operation shall commence.

(d) If any person, firm, or corporation shall fail, neglect or refuse to comply with the terms and provisions of this section, or shall fail to attach the proper State license to any machine as herein provided, the Secretary of Revenue, or his agents, or deputies, shall forthwith seize and remove such machine, and shall hold the same until the provisions of this section have been complied with. In addition to the above provision the applicant shall be further liable for the additional tax imposed under G.S. 105-112.

(e) Counties, cities and towns may levy and collect a license tax not in excess of fifty percent (50%) of the total amount collected by the State from music machines: Provided, that counties, cities and towns shall not levy and collect an annual operator's occupational license levied for the operation of the above machines.

(f) Counties, cities, and towns levying a tax under the provisions of this section shall have power through their tax collecting officers, upon nonpayment of the tax levied by them, or of any interest or penalty thereon, or upon failure to attach the evidence of license issued by them to any such machines, to seize, remove and hold such machines until all such defaults have been remedied.

(1939, c. 158, s. 130; 1941, c. 50, s. 3; 1943, c. 105; c. 400, s. 2; 1945, c. 708, s. 2; 1973, c. 476, s. 193.)

**§ 105-65.1 Merchandising dispensers and weighing machines.**

(a) Every person, firm, or corporation engaged in the business of operating, maintaining, or placing on location anywhere within the State of North Carolina merchandising dispensers in which are kept any article or merchandise to be purchased, or weighing machines, shall be deemed a distributor or operator and shall apply for and procure from the Secretary of Revenue a statewide license to be known as an annual distributor's or operator's license, and shall pay for such license the following tax:

Distributors or operators of five or more drink dispensers pensers other than open cup drink dispensers .....	\$100.00
Distributors or operators of five or more open cup drink dispensers .....	50.00
Distributors or operators of five or more cigarette dis- pensers or dispensers of other tobacco products .....	50.00
Distributors or operators of five or more food or other mer- chandising dispensers selling products for five cents (5 cents) or more .....	50.00
Distributors or operators of five or more food or other mer- chandising dispensers selling products for less than five cents (5 cents) .....	25.00
Distributors or operators of five or more weighing machines ....	50.00

A person, firm, or corporation operating and maintaining soft drink dispensers or any other dispensers as set forth above in places of business operated by him or it, and not elsewhere, shall not be considered a distributor or operator of such dispensers for the purpose of this section.

Any person, firm, or corporation operating, maintaining, or placing on location fewer than five such machines or dispensers shall not be considered a distributor or operator for the purpose of this section. Any person, firm, or corporation operating, maintaining, or placing on location five or more soft drink dispensers shall not be considered a distributor or operator for the purpose of this section when all of said dispensers operated, maintained, or placed on location by such person, firm, or corporation are operated, maintained, or placed in a single building, all parts of

which are accessible through the same outside entrance, and which building is occupied by a single commercial, manufacturing, or industrial business. Every machine or dispenser placed on location by a licensed operator or distributor as herein defined shall have fixed thereto identification showing the name and address of the owner, operator, or distributor. The operator of any machine or dispenser not so identified shall be liable for additional license tax as levied by G.S. 105- 102.5.

(b) (1) In addition to the license tax imposed under subsection (a), a distributor or operator of soft drink dispensers, except open cup drink dispensers, shall annually pay to the Secretary of Revenue a soft drink dispenser tax in an amount based on the number of dispensers operated, maintained, or placed on location by the distributor or operator on July 1 of the license year. The amount of tax due is as follows:

<u>Number of Dispensers</u>	<u>Amount of Tax</u>
1-50	\$ 7.00 per dispenser
51-100	535.00
101-150	892.50
151-200	1,250.00
200 and up	1,250.00 plus \$357.50 for each additional 50 dispensers or fraction thereof

A distributor or operator who was not in business on July 1 of the license year shall pay a tax based on the number of dispensers the distributor or operator reasonably expects to operate, maintain, or place on location during the ensuing license year. If the number of dispensers operated, maintained, or placed on location during that year exceeds the distributor's or operator's estimate, the distributor or operator shall, within 20 days of the close of the license year, report the excess to the Secretary and pay any additional tax due according to the above table.

(2) In addition to the above annual distributor's or operator's license, every distributor or operator distributing, maintaining, or operating five or more cigarette dispensers, or five or more dispensers of other tobacco products, or five or more open-cup drink dispensers, or five or more food or other merchandising dispensers, or five or more weighing machines shall pay a tax upon the gross receipts obtained from such machines and dispensers at the rate of six tenths of one percent ( 6/10 of 1%) of gross receipts from cigarette sales, and one tenth of one percent ( 1/10 of 1%) of gross receipts from all other sales; but the tax paid for the operator's license shall be treated as an advance payment of the gross receipts tax and shall be applied as a credit upon the gross receipts tax, but only for the same year for which the tax was paid. All persons, firms, or corporations liable for the gross receipts tax levied hereunder shall file quarterly reports with the Secretary of Revenue no later than the fifteenth day of each of the months of January, April, July and October of each year for the three months' period ended on the last day of the month immediately preceding the month in which the report is due. All taxes due for said period shall be paid to the Secretary of Revenue at the time the report is required to be filed.

(3), (4) Repealed by Session Laws 1979, c. 150, s. 3.

(c) If any person, firm, or corporation shall fail, neglect, or refuse to comply with the terms and provisions of this section or shall fail to attach the proper identification to any dispenser or machine as herein provided, the Secretary of Revenue, or his agent or deputies, shall forthwith seize and remove such dispenser or machine, and shall hold the same until the provisions of this section have been complied with. In addition to the above provision the applicant shall be further liable for the additional tax imposed under G.S. 105-112.

(d) Sales of merchandise herein referred to shall be subject to the provisions of Article 5 of this Chapter, and the tax therein levied shall be paid by the distributor or operator of such dispensers or machines.

(e) Counties, cities and towns shall not levy or collect any annual distributor's or operator's occupational license levied for the distribution or operation of any of the dispensers or machines described in subsection (a), nor any per dispenser or per machine license tax for any machine or dispenser described in subsections (a) or (b) of this section, nor upon the sale of any commodities through such machine or dispenser.

(f) The word "dispenser" or "dispensers" as used in this section shall include any machine or mechanical device through the medium of which any of the merchandise referred to in this section is purchased, distributed or sold.

(g) Neither the tax levied under subsection (b) upon dispensers, nor the tax levied under subsection (a) upon distributors or operators, shall apply to dispensers or vending machines which dispense only milk, milk drinks, products of the dairy, pure uncarbonated fruit or vegetable juices, or newspapers.

(h) 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.

(1939, c. 158, s. 130; 1941, c. 50, s. 3; 1943, c. 105; c. 400, s. 2; 1945, c. 708, s. 2; 1949, c. 1220, s. 1; 1953, c. 1142; 1955, cc. 1271, 1344; 1957, c. 1340, s. 2; 1963, c. 1169, s. 10; 1965, c. 1078, s. 1; 1967, c. 1118, s. 2; 1973, c. 476, s. 193; c. 1200, s. 2; 1979, c. 150, s. 3; 1981, c. 83, s. 7; 1983, c. 379, ss. 1, 2; 1989, c. 584, s. 20; 1991 (Reg. Sess., 1992), c. 955, s. 1.)

**§ 105-66.1 Electronic video games.**

(a) Every person, firm, or corporation engaged in the business of owning or operating machines that play electronic video games when a coin or other thing of value is deposited in the machine shall obtain from the Secretary of Revenue a statewide license for each machine owned or operated and shall pay a tax of fifteen dollars (\$15.00) for each license. An application for a license shall include the serial number of the machine operated. The licensee shall attach the license to the machine in a conspicuous place. No person may allow an unlicensed video game machine in a place of business occupied by that person. Licenses issued under this section are not transferable from one machine to another. The Secretary may seize any machine not licensed in accordance with this section and may hold the machine until it is duly licensed. All machines licensed under this section shall have a counter that records the number of games played or the amount of money deposited in the machine, or both.

(b) As used in this section, a person, firm, or corporation is "engaged in the business of owning an electronic video game machine" if he owns the machine and locates it in his own place of business; and a person, firm, or corporation is "engaged in the business of operating an electronic video game machine" if he locates, exhibits, displays, or permits to be exhibited or displayed an electronic video game machine in a place of business other than his own.

(c) Counties, cities, and towns may levy a tax, not to exceed five dollars (\$5.00) per machine, on the business taxed under this section.

(1983, c. 713, s. 99.)

**§ 105-74 Pressing clubs, dry cleaning plants, and hat blockers.**

(a) Location License. -- Every person, firm, or corporation engaging in the business of operating a dry cleaning, pressing, or hat blocking business shall apply for and obtain from the Secretary of Revenue a State license for each place of business and shall pay a license tax. The license tax is for the privilege of engaging in the business. If a place of business does not solicit outside the county where the place of business is located, the license tax is fifty dollars (\$50.00). If a place of business solicits outside the county where the place of business is located, the license tax is one hundred dollars (\$100.00).

(b) Soliciting License. -- Every person, firm, or corporation engaged in the business of soliciting dry cleaning or pressing work to be done by a place of business that is not liable for the State license tax levied in subsection (a) shall pay a tax of one hundred dollars (\$100.00). The holder of a soliciting license shall carry the license in the cab of any vehicle used in soliciting in this State.

(c) Local Licenses. -- A municipality may tax each place of business that is taxed under subsection (a) only if it is located in the municipality. The tax may not exceed the rate provided in subsection (a). A municipality may not tax a business taxed under subsection (b).

(d) Definitions. -- The following definitions apply in this section:

(1) Dry cleaning, pressing, or hat blocking business. -- A place of business where the service of dry cleaning, wet cleaning incidental to dry cleaning, spotting, pressing, finishing, or reblocking hats, garments, or wearing apparel of any kind is performed.

(2) Place of business. -- A fixed place at which a business is maintained.

(3) Soliciting. -- Accepting an article or a garment to be dry cleaned or pressed by taking physical possession of the article or garment.

(e) Scope. -- This section does not apply to any bona fide student of any college or university in this State operating a pressing or dry cleaning business at the college or university during the school term of the college or university.

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.

(1939, c. 158, s. 139; 1943, c. 400, s. 2; 1957, c. 1340, s. 2; 1959, c. 445, ss. 1, 2; 1961, c. 1080, ss. 1, 3; 1969, c. 884; 1973, c. 476, s. 193; 1989, c. 584, s. 23; 1991, c. 479, s. 1; 1991 (Reg. Sess., 1992), c. 955, s. 17.)

**§ 105-77 Tobacco warehouses.**

(a) Every person, firm, or corporation engaged in the business of operating a warehouse for the sale of leaf tobacco upon commission shall, on or before the first day of July of each year, apply for and obtain from the Secretary of Revenue a State license for the privilege of operating such warehouse for the next ensuing year, and shall pay for such license the following tax:

For a warehouse in which was sold during the preceding year ending the first day of July:

Less than 1,000,000 pounds .....	\$ 50.00
1,000,000 pounds and less than 2,000,000 .....	75.00
2,000,000 pounds and less than 3,000,000 .....	175.00
3,000,000 pounds and less than 4,000,000 .....	250.00
4,000,000 pounds and less than 5,000,000 .....	400.00
5,000,000 pounds and less than 6,000,000 .....	500.00

For all in excess of 6,000,000 pounds, five hundred dollars (\$500.00) and six cents (6 cents per thousand pounds.

(b) If a new warehouse not in operation the previous year, the person, firm, or corporation operating such warehouse may procure a license by payment of the minimum tax provided in the foregoing schedule, and at the close of the season for sales of tobacco in such warehouse shall furnish the Secretary of Revenue a statement of the number of pounds of tobacco sold in such warehouse for the current year, and shall pay an additional license tax for the current year based on such total volume of sales in accordance with the schedule in this section.

If an old warehouse with new or changed ownership or management, the tax shall be paid according to the schedule in this section, based on the sale during the preceding year, just as if the old ownership or management had continued its operation.

(c) The Commissioner of Agriculture shall certify to the Secretary of Revenue, on or before the first day of July of each year, the name of each person, firm, or corporation operating a tobacco warehouse in each county in the State, together with the number of pounds of leaf tobacco sold by such person, firm, or corporation in each warehouse for the preceding year, ending on the first day of July of the current year.

(d) The Commissioner of Agriculture shall report to the district attorney of any prosecutorial district in which a tobacco warehouse is located which the owner or operator thereof shall have failed to make a report of the leaf tobacco sold in such warehouse during the preceding year, ending the first day of July of the current year, and such district attorney shall prosecute any such person, firm or corporation under the provisions of this section.

(e) The tax levied in this section shall be based on official reports of each tobacco warehouse to the State Department of Agriculture showing amount of sales for each warehouse for the previous year.

(f) The Secretary of Revenue or his deputies shall have the right, and are hereby authorized, to examine the books and records of any person, firm, or corporation operating such warehouse, for the purpose of verifying the reports made and of ascertaining the number of pounds of leaf tobacco sold during the preceding year, or other years, in such warehouse.

(g) Any person, firm, or corporation who or which violates any of the provisions of this section shall, in addition to all other penalties provided for in this Article, be guilty of a Class 1 misdemeanor.

(h) No county shall levy any license tax on the business taxed under this section. Cities and towns may levy a tax not in excess of fifty dollars (\$50.00) for each warehouse.

(1939, c. 158, s. 142; 1963, c. 294, s. 4; 1973, c. 476, s. 193; 1987 (Reg. Sess., 1988), c. 1037, s. 107; 1993, c. 539, s. 692; 1994, Ex. Sess., c. 24, s. 14(c).)

**§ 105-80 Firearms dealers and dealers in other weapons.**

(a) Firearms. -- Every person, firm, or corporation who is engaged in the business of selling or offering for sale firearms, other than antique firearms or firearms that are weapons of mass death and destruction, shall obtain a license from the Secretary of Revenue for the privilege of engaging in business and shall pay a tax of fifty dollars (\$50.00) for the license. As used in this subsection, the terms "antique firearm" and "weapons of mass death and destruction" have the same meanings as in G.S. 14-409.11 and G.S. 14-288.8, respectively. As used in this subsection, the term "engaged in the business of" shall mean devoting time, attention, and labor to selling or offering for sale firearms as a regular course of trade or business with the principal objective of profit through the repetitive purchase and sale, or the manufacture for sale, of firearms. Such term shall not include the making of occasional sales, exchanges, or purchases of firearms for the enhancement of a personal collection, or the sale of all or part of a personal collection of firearms.

A license issued under this subsection authorizes the licensee to engage in business at the location for which the license is issued and at a gun show held in the State. A "gun show" is an event sponsored either by an organization devoted to the collection, competitive use, or other sporting use of firearms or by an organization that sponsors events devoted to the collection, competitive use, or other sporting use of firearms in the community.

(b) Other Weapons. -- Every person, firm, or corporation who is engaged in the business of selling or offering for sale bowie knives, dirks, daggers, leaded canes, iron or metallic knuckles, or similar weapons shall obtain a statewide license from the Secretary of Revenue for the privilege of engaging in business and shall pay a tax of two hundred dollars (\$200.00) for the license.

(c) Local Licenses. -- Counties and cities may levy a license tax on a business taxed under this section at an amount that does not exceed the State tax.

(1939, c. 158, s. 145; 1941, c. 50, s. 3; 1959, c. 1205; 1973, c. 476, s. 193; 1985, c. 45; 1987, c. 554.)

**§ 105-85 Laundries.**

(a) Laundry License. -- Every person, firm, or corporation engaged in the business of operating a laundry, or engaged in the business of supplying or renting clean linen, towels, or wearing apparel, shall apply for and obtain from the Secretary of Revenue a State license for each place of business and shall pay a license tax. The license tax is for the privilege of engaging in the business. If a place of business does not solicit outside the county where the place of business is located, the license tax is fifty dollars (\$50.00). If a place of business solicits outside the county where the place of business is located, the license tax is one hundred dollars (\$100.00).

(b) Definitions. -- The following definitions apply in this section:

(1) Laundry. -- A business where steam, electricity, or other power is used to clean fabric, including a wet or damp wash laundry, a launderette, a launderall, or a similar business. The term "launderettes and launderalls" means commercial establishments in which automatic washing machines and dryers are installed for the use of individual customers, including those that contain coin-operated or coin-activated washing machines; however, the term does not include an apartment building in which these machines are provided by the apartment building owner or manager for the exclusive use and convenience of tenants of the building.

(2) Place of business. -- A fixed place at which a business is maintained.

(3) Soliciting. -- Accepting an article or a garment to be laundered by taking physical possession of the article or garment.

(c) Soliciting License. -- Every person, firm, or corporation engaged in the business of soliciting laundry work to be done by a place of business that is not liable for the State license tax levied in subsection (a) shall pay a tax of one hundred dollars (\$100.00). The holder of a soliciting license shall carry the license in the cab of any vehicle used in soliciting in this State.

(d) Scope. -- 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.

(e) Local Licenses. -- A municipality may tax each place of business that is taxed under subsection (a) only if it is located in the municipality. The tax may not exceed the rate provided in subsection (a). A municipality may not tax

a business taxed under subsection (c).

(1939, c. 158, s. 150; 1943, c. 400, s. 2; 1945, c. 708, s. 2; 1949, c. 392, s. 1; 1959, c. 445, ss. 3-5; 1961, c. 1080, ss. 2, 4; c. 1203; 1973, c. 476, s. 193; 1975, c. 828; 1989, c. 584, s. 25; 1991, c. 479, s. 2; 1991 (Reg. Sess., 1992), c. 955, ss. 2, 18.)

**§ 105-86 Outdoor advertising.**

(a) Every person, firm or corporation engaged in the business of outdoor advertising by placing, erecting or maintaining one or more outdoor advertising signs or structures of any nature by means of signboards, poster boards, or painted bulletins, or other painted matter, or any other outdoor advertising devices, erected upon the grounds, walls or roofs of buildings, shall apply for and obtain from the Secretary of Revenue a State license for the privilege of engaging in such business in this State, and shall pay annually for said license as follows:

For posting or erecting 20 or more signs or panels ..... \$25.00  
 For posting or erecting less than 20 signs or panels, for  
 each sign or panel ..... 1.00

And in addition thereto the following license tax for each city, town or other place in which such signboards, poster boards, painted bulletins and other painted or printed matter or other outdoor advertising devices are maintained:

For each city or town, without regard to population ..... \$70.00  
 In each county outside of cities and towns ..... 25.00

Provided, that the tax levied in this section shall not apply to regularly licensed motion picture theatres taxed under G.S. 105-37 upon any advertising signs, structures, boards, bulletins, or other devices erected by or placed by the theatre upon property which the theatre has secured by permission of the owner.

Every person, firm, or corporation who or which places, erects or maintains one or more outdoor advertising signs, structures, boards, bulletins or devices as specified in this section shall be deemed to be engaged in the business of outdoor advertising, but when the applicant intends to advertise his own business exclusively by the erection or placement of such outdoor advertising signs, structures, boards, bulletins or devices as specified in this section, he may be licensed to do so upon the payment annually of one dollar (\$1.00) for each sign up to 1,000 in number, and for 1,000 or more, the sum of one thousand dollars (\$1,000) for the privilege in lieu of all other taxation as provided in this section, except such further taxation as may be imposed upon him by cities or towns, acting under the power to levy not in excess of one half of that specified in paragraph two of this subsection.

(b) Every person, firm, or corporation shall show in its application for the State license herein provided for the name of each incorporated city or town within which, and the county within which, it is maintaining or proposes to maintain said signboards, poster boards, painted bulletins or other painted or printed signs or other outdoor advertising devices within the State of North Carolina. No person, firm, or corporation, licensed under the provisions of this section, shall erect or maintain any outdoor advertising structure, device or display until a permit for the erection of such structure, device or display shall have been obtained from the Secretary of Revenue. Application for such permit shall be in writing, signed by the applicant or his duly authorized agent, upon blanks furnished by the Secretary of Revenue, in such form and requiring such information as said Secretary of Revenue may prescribe. Each application shall have attached thereto the written consent of the owners or duly authorized agent of the property on which structures, device or display is to be erected or maintained, and shall state thereon the beginning and ending dates of such written permission: Provided, the subsection shall not apply to persons, firms, or corporations who or which advertise their or its own business exclusively, and who or which have been licensed therefor pursuant to subsection (a) of this section.

(c) It shall be unlawful for any person engaged in the business of outdoor advertising to in any manner paint, print, place, post, tack or affix, or cause to be painted, printed, placed, posted, tacked or affixed any sign or other printed or painted advertisement on or to any stone, tree, fence, stump, pole, building or other object which is upon the property of another without first obtaining the written consent of such owner thereof, and any person, firm, or corporation who in any manner paints, prints, places, posts, tacks or affixes, or causes to be painted, printed, posted,

tacked or affixed any such advertisement on the property of another except as herein provided shall be guilty of a Class 3 misdemeanor: Provided, that the provisions of this section shall not apply to legal notices.

(d) It shall be unlawful for any person, firm, or corporation to paint, print, place, post, tack or affix any advertising matter within the limits of the right-of-way of public highways of the State without the permission of the Department of Transportation, or upon the streets of the incorporated towns of the State without permission of the governing authorities, and if and when signs of any nature are placed without permission within the highways of the State, or within the streets of incorporated towns, it shall be the duty of the Department of Transportation or any other administrative body or other governing authorities of the cities and towns of said State to remove said advertising matters therefrom.

(e) Every person, firm, or corporation owning or maintaining signboards, poster boards, printed bulletins, or other outdoor advertisements of any nature within this State shall have imprinted on the same the name of such person, firm, or corporation in sufficient size to be plainly visible and permanently affixed thereto.

(f) A license shall not be granted any person, firm, or corporation having his or its principal place of business outside the State for the display of any advertising of any nature whatsoever, designed or intended for the display of advertising matter, until such person, firm, or corporation shall have furnished and filed with the Secretary of Revenue a surety bond to the State, approved by him, in such sum as he may fix, not exceeding five thousand dollars (\$5,000), conditioned that such licensee shall fulfill all requirements of law, and lawful regulations and orders of said Secretary of Revenue, relative to the display of advertisements. Such surety bond shall remain in full force and effect as long as any obligations of such licensee to the State shall remain unsatisfied.

(g) No advertising, or other signs specified in this section, shall be erected in the highway right-of-way so as to obstruct the vision or otherwise to increase the hazards, and all signs upon the highways shall be placed in a manner to be approved by the said Department of Transportation.

(h) Any person, firm, or corporation who or which shall refuse to or neglect to comply with the terms and provisions of this section, and who shall fail to pay the tax herein provided for within 30 days after the same shall become due, or who shall paint, print, place, post, tack, affix or display any advertising sign or other matter contrary to the provisions of this section, the Department of Transportation of the State of North Carolina or other governing body having jurisdiction over the roads and highways of the State, and the governing authorities of cities and towns and its agents and employees, and the board of county commissioners of the various counties of said State and its employees are directed to forthwith seize and remove or cause to be removed all advertisements, signs or other matter displayed contrary to the provisions of this section.

For the purpose of more effectually carrying into effect the provisions of this section, the Secretary of Revenue is authorized and directed to prepare and furnish to the Department of Transportation or other governing body having jurisdiction over the roads and highways of the State a sufficient number of permits to be executed by the owner, lessee or tenant occupying the lands adjacent to the highways of the State, upon which advertisements, signs or other matter displayed contrary to the provisions of this section, in words as follows:

"I, (we), (owner), (lessee), (tenant), authorize and direct the Department of Transportation of the State of North Carolina to remove from my lands the following signs and advertising matter placed upon my lands unlawfully or without my permission: .....

.....

"This ..... day of ....., 19...."

And the said Department of Transportation or other governing body having jurisdiction over the roads and highways of the State shall forthwith proceed, through its agents, servants and employees, wherever and whenever in its opinion it is necessary to secure the consent to the removal of said signs or other advertising matter from the lands of the owner, lessee or tenant, to secure said consent and to immediately remove said signs or other advertising matter from the lands adjacent to the highways of the State of North Carolina as herein directed.

(i) Every person, firm, or corporation who violates any of the provisions of this section shall be guilty of a Class 1 misdemeanor in addition to the license tax and penalties provided for herein.

(j) Counties shall not levy any license tax under this section, but cities and towns may levy a license tax not in excess of one half of that levied by the State under paragraph two of subsection (a).

(k) The following signs and announcements are exempted from the provisions of this section: Signs upon property advertising the business conducted thereon; notice or advertisements erected by public authority or required by law in any legal proceedings; any signs containing 60 square feet or less bearing an announcement of any town or city advertising itself: Provided, the same is maintained at public expense.

No tax shall be levied under this section against any person, firm, or corporation erecting, painting, posting or otherwise displaying signs or panels advertising his or its own business containing 12 square feet or less of

advertising surface: Provided, that this exemption shall not apply if the signs or panels are displayed in more than five counties.

(1939, c. 158, s. 151; 1943, c. 400, s. 2; 1957, c. 65, s. 11; 1973, c. 476, s. 193; c. 507, s. 5; 1977, c. 464, s. 34; 1989, c. 584, s. 26; 1993, c. 539, ss. 693, 694; 1994, Ex. Sess., c. 24, s. 14(c).)

**§ 105-89 Automobiles, wholesale supply dealers and service stations.**

(a) Automotive Service Stations. --

(1) Every person, firm, or corporation engaged in the business of servicing, storing, painting, repairing, welding, or upholstering motor vehicles, trailers, or semitrailers, or engaged in the business of retail selling and/or delivering of any tires, tools, batteries, electrical equipment, automotive accessories, including radios designed for exclusive use in automobiles, or supplies, motor fuels and/or lubricants, or any of such commodities, in this State, shall apply for and obtain from the Secretary of Revenue a State license for the privilege of engaging in such business in this State, and shall pay for such license an annual tax of fifty dollars (\$50.00) for each location where such business is carried on.

(2), (3) Repealed by Session Laws 1985 (Regular Session, 1986), c. 985, s. 1.

(4) No additional license tax under this subsection shall be levied upon or collected from any employee, agent, or salesman whose employer or principal has paid the tax for each location levied in this subsection.

(5) The tax imposed in G.S. 105-53 shall not apply to the sale of gasoline to dealers for resale.

(6) Counties, cities, and towns may levy a license tax upon each place of business located therein under this subsection not in excess of one fourth of that levied by the State.

(7) A person, firm, or corporation required to be licensed under this subsection is not required to procure the license under G.S. 105-102.5 for the same location.

(b) Automotive Equipment and Supply Dealers at Wholesale. --

(1) Every person, firm, or corporation engaged in the business of buying, selling, distributing, exchanging, and/or delivering automotive accessories, including radios designed for exclusive use in automobiles, parts, tires, tools, batteries, and/or other automotive equipment or supplies or any of such commodities at wholesale shall apply for and obtain from the Secretary of Revenue a State license for the privilege of engaging in such business in this State, and shall pay for such license an annual tax of seventy-five dollars (\$75.00) for each location where such business is carried on.

Provided, any person, firm, or corporation engaged in the business enumerated in this section and having no located place of business, but selling to retail dealers by use of some form of vehicle, shall obtain from the Secretary of Revenue a statewide license for the privilege of engaging in such business in this State, and shall pay for such license an annual tax for each vehicle used in carrying on such business fifty dollars (\$50.00).

(2) For the purpose of this section, the word "wholesale" shall apply to manufacturers, jobbers, and such others who sell to retail dealers, except manufacturers of batteries.

(3) No additional license tax under this subsection shall be levied upon or collected from any employee, agent, or salesman whose employer or principal has paid the tax for each location levied in this subsection.

(4) Counties, cities, and towns may levy a license tax on each place of business located therein, taxed under this subsection, not in excess of one half of that levied by the State.

(5) No person, firm, or corporation paying the wholesalers' tax as levied in subsection (b) hereof shall be required to pay any additional tax under subsection (a) of this section for engaging in any of the types of business levied upon in said subsection (a).

(6) A person, firm, or corporation required to be licensed under this subsection is not required to procure the license under G.S. 105-102.5 for the same location.

(c) Motor Vehicle Dealers. --

(1) Every person, firm, or corporation engaged in the business of buying, selling, distributing, servicing, storing and/or exchanging motor vehicles, trailers, semitrailers, tires, tools, batteries, electrical equipment, lubricants, and/or automotive equipment, including radios designed for exclusive use in automobiles, and supplies in this State shall apply for and obtain from the Secretary of Revenue a State license for the privilege of engaging in such business in this State, and shall pay for such license an annual tax of one hundred dollars (\$100.00) for each location where such business is carried on.

Provided, that persons, firms, or corporations dealing in secondhand or used motor vehicles exclusively shall be liable for the tax unless such business is of a seasonal, temporary, transient, or itinerant nature, in which event the tax shall be three hundred dollars (\$300.00) for each location where such business is carried on.

(2) Any person, firm, or corporation who or which deals exclusively in motor fuels and lubricants, and has paid the license tax levied under subsection (a) of this section, shall not be subject to any license tax under subsections (b) and (c) of this section. A person, firm, or corporation licensed under this subsection is not required to be licensed under subsections (a) or (b) of this section.

(3) No additional license tax under this subsection shall be levied upon or collected from any employee or salesman whose employer had paid the tax levied in this subsection; nor shall the tax apply to dealers in semitrailers weighing not more than five hundred pounds and carrying not more than one-thousand-pound load, and to be towed by passenger cars, nor to dealers in four-wheel, farm-type wagons equipped with rubber tires and designed to be pulled or towed by passenger cars or farm tractors.

(4) Premises on which cars are stored or sold when owned or operated by a licensed car dealer under the same name shall not be deemed as a separate place of business when conducted within the corporate limits of any city or town in which such car business is conducted.

(5) Counties, cities, and towns may levy a license tax on each place of business located therein, taxed under this subsection, not in excess of one fourth of that levied by the State. Provided, if such business is of a seasonal, temporary, transient, or itinerant nature, counties, cities, and towns may levy a tax of three hundred dollars (\$300.00) for each location where such business is carried on.

(6) A person, firm, or corporation required to be licensed under this subsection is not required to procure the license under G.S. 105-102.5 for the same location.

(1939, c. 158, s. 153; 1945, c. 708, s. 2; 1947, c. 501, s. 2; 1949, c. 392, s. 1; 1953, c. 1302, s. 2; 1959, c. 1259, ss. 9C-9E; 1973, c. 476, s. 193; 1985 (Reg. Sess., 1986), c. 826, s. 3; c. 985, ss. 1, 2; 1989, c. 584, s. 27.)

#### **§ 105-89.1 Motorcycle dealers.**

(a) Every person, firm, or corporation, foreign or domestic, engaged in the business of buying, selling, distributing, and/or exchanging motorcycles or motorcycle supplies or any of such commodities in this State shall apply for and obtain from the Secretary of Revenue a State license for the privilege of engaging in such business in this State, and shall pay for such license an annual tax of fifty dollars (\$50.00) for each location where such business is carried on.

(b) 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.

(c) No additional license tax shall be levied upon or collected from any employee or salesman whose employer had paid the tax levied in this section.

(d) No motorcycle dealer shall be issued dealer's tags until the license tax levied under this section has been paid.

(e) Counties, cities, and towns may levy a license tax on each place of business located therein, taxed under this section, not in excess of one fourth of that levied by the State.

(1939, c. 158, s. 153; 1947, c. 501, s. 2; 1973, c. 476, s. 193; 1989, c. 584, s. 28.)

#### **§ 105-90 Emigrant and employment agents.**

(a) Every person, firm, or corporation, either as agent or principal, engaged in the business of soliciting, hiring, and/or contracting with laborers, male or female, in this State, for employment out of the State shall apply for and obtain from the Secretary of Revenue a State license for each county for the privilege of engaging in such business, and shall pay for such license a tax of five hundred dollars (\$500.00) for each county in which such business is carried on.

(b) Every person, firm, or corporation who or which engages in the business of securing employment for a person or persons and charging therefor a fee, commission, or other compensation shall apply for and obtain from the Secretary of Revenue a State license for the privilege of engaging in such business in this State, and shall pay for

such license an annual tax of three hundred dollars (\$300.00) for each location in which such business is carried on.

Provided, that this section shall not apply to any employment agency operated by the federal government, the State, any county or municipality, or whose sole business is procuring employees for work in the production and harvesting of farm crops within the State, nor shall it apply to any registry for registered nurses or licensed practical nurses when not operated for profit. And provided further, that under this section the tax on any employment agency whose sole business is the placement of teachers and/or other school employees shall be fifty dollars (\$50.00):

Provided further, that the tax on employment agencies where the sole business is the placement of domestic servants or unregistered nurses for employment within the State shall be fifty dollars (\$50.00).

(c) Any person, firm, or corporation violating the provisions of this section shall be guilty of a Class 1 misdemeanor.

(d) Counties, cities and towns may levy a license tax on the business taxed under this section not in excess of one hundred dollars (\$100.00).

(1939, c. 158, s. 154; 1945, c. 635; 1963, c. 787, s. 1; 1971, c. 1130; 1973, c. 476, s. 193; 1987 (Reg. Sess., 1988), c. 1082, s. 6; 1989, c. 584, s. 29; 1993, c. 539, s. 696; 1994, Ex. Sess., c. 24, s. 14(c).)

### **§ 105-91 Plumbers, heating contractors, and electricians.**

Every person, firm, or corporation engaged in the business of a plumber, installing plumbing fixtures, piping or equipment, steam or gas fitter, or installing hot-air heating systems, or installing electrical equipment, or offering to perform such services, shall apply for and obtain from the Secretary of Revenue a statewide license for the privilege of engaging in such business, and shall pay for such license a tax of fifty dollars (\$50.00).

Provided, that any person, firm, or corporation engaged exclusively in the businesses enumerated in and licensed under this section shall not be liable for the tax provided in G.S. 105-54 or G.S. 105-55. All plumbing inspectors in cities or towns shall make a monthly report to the Secretary of Revenue of all installation or repair permits issued for plumbing or heating.

With respect to electricians and electrical contractors, a license procured under this section shall cover the installation of electrical equipment, fixtures and wiring in or upon the consumer's premises, or on the "customer's side" of the point of delivery of electric service, but shall not cover the installation of or service to transmission or distribution lines or work on the "distributor's side" of the point of delivery of electric service. With respect to plumbers and plumbing contractors, a license procured under this section shall cover plumbing work and plumbing installations in buildings and upon the premises upon which the buildings are situated and up to the connection with the sewer or water mains, but shall not cover the construction of or work upon water or sewer systems or mains.

Counties shall not levy any license tax on the business taxed under this section, but any city or town may levy a license tax not in excess of the tax levied by the State.

(1939, c. 158, s. 155; 1945, c. 708, s. 2; 1951, c. 643, s. 2; 1953, c. 981, s. 2; 1973, c. 476, s. 193; 1989, c. 584, s. 31.)

### **§ 105-97 Manufacturers of ice cream.**

(a) Every person, firm, or corporation engaged in the business of manufacturing or distributing ice cream at wholesale shall apply for and obtain from the Secretary of Revenue a State license for the privilege of doing business in this State and shall pay for each factory or place where manufactured and/or stored for distribution the following base tax: Where the machine or the equipment unit used is of the continuous freezer type the rate of tax shall be one dollar and fifty cents (\$1.50) per gallon capacity based on the rated capacity in gallons per hour according to manufacturer's rating of such freezer or freezers, but in no case shall the tax be less than fifty dollars (\$50.00) per annum for any freezer or freezers used; and where the machine or equipment unit used is not of the continuous freezer type the rate of tax shall be five dollars (\$5.00) per gallon capacity for the freezer or freezers used; but in no case shall the tax be less than fifty dollars (\$50.00) per annum for any freezer or freezers used; provided that the Secretary shall have the right to check the correctness or accuracy of any such manufacturer's

rating herein referred to and to levy the tax herein authorized on the basis of such determined capacity; and provided, further that where no standard freezer equipment with manufacturer's capacity rating is used, a tax of fifty dollars (\$50.00) shall apply; and provided, further that the license tax herein shall not apply to any farmer who manufactures and sells only the products of his own cows.

Each truck, automobile or other vehicle coming into this State from another state and selling and/or delivering ice cream on which the tax has not been paid under the provisions of this section shall pay an annual license tax for the privilege of doing business in this State in the sum of one hundred dollars (\$100.00) per truck, automobile or vehicle. The license secured from the State under this section shall be posted in the cab of the truck, automobile or other vehicle.

(b) For the purpose of this section the words "ice cream" shall apply to ice cream, frozen custards, sherbets, water ices, and/or similar frozen products.

(c) Repealed by Session Laws 1989, c. 584, s. 32.

(d) Counties shall not levy a license tax on the business taxed under this section, but cities and towns may levy a license tax not in excess of one fourth of the above.

(1939, c. 158, s. 161; 1945, c. 708, s. 2; 1973, c. 476, s. 193; 1989, c. 584, s. 32.)

### **§ 105-98 Branch or chain stores.**

Every person, firm, or corporation engaged in the business of operating or maintaining in this State, under the same general management, supervision, or ownership, two or more stores, or mercantile establishments where goods, wares, and/or merchandise are sold or offered for sale, or from which such goods, wares, and/or merchandise are sold and/or distributed at wholesale or retail, or who or which controls by lease, either as lessor or lessee, or by contract, the manner in which any such store or stores are operated, or the kinds, character, or brands of merchandise which are sold therein, shall be deemed a branch or chain store operator, and shall apply for and obtain from the Secretary of Revenue a State license for the privilege of engaging in such business of a branch or chain store operator, and shall pay for such license a tax according to the following schedule:

On each and every such store operated in this State in excess of one, sixty-five dollars (\$65.00).

The term "chain store" as used in this section shall include stores operated under separate charters of incorporation, if there is common ownership of a majority of stock in such separately incorporated companies, and/or if there is similarity of name of such separately incorporated companies, and/or if such separately incorporated companies have the benefit in whole or in part of group purchase of merchandise, or of common management. And in like manner the term "chain store" shall apply to any group of stores where a majority interest is owned by an individual or partnership.

The term "chain store" as used in this section shall not include retail outlets owned and operated by wholesale bakeries at locations separate and apart from the wholesale bakery under the same ownership, management and control of the wholesale bakery and used solely as outlets for the disposition at retail of surplus or broken products of the wholesale bakery operating same and which do not deal in any other products and where the operation of such stores is only incidental to the operation of the wholesale bakery, such stores being commonly known as "bakery thrift stores."

Counties shall not levy a license tax on the business taxed under this section. Cities and towns may levy a license tax not in excess of fifty dollars (\$50.00) for each chain store located in such city or town, except as to those which are so denominated merely because the manner in which they are operated, or the kinds, character or brands of merchandise sold therein are controlled by lease or by contract. For the purpose of ascertaining the particular unit in each chain of stores not subject to taxation by the State under this section, and therefore not liable for city license tax, the particular store in which the principal office of the chain is located in this State shall be designated as the unit in the chain not subject to this tax.

In enforcing the provisions of this section, the Secretary of Revenue may prorate the total amount of tax for a chain to the several units and the amount so prorated may be recovered from each unit in the chain in the same way as other taxes levied in this Article.

This section shall not apply to retail or wholesale dealers in motor vehicles and automotive equipment and supply dealers at wholesale who are not liable for tax hereunder on account of the sale of other merchandise, nor shall it apply to retail stores of nonprofit organizations engaged exclusively in the sale of merchandise processed by

handicapped persons employed by any nonprofit organization in the State. This section shall not apply to manufacturers, retail or wholesale dealers solely by reason of the sales of fertilizers, farm chemicals, soil preparants or seeds.

(1939, c. 158, s. 162; 1945, c. 708, s. 2; 1949, c. 392, s. 1; 1965, c. 607; 1967, cc. 551, 553; 1973, c. 205; c. 476, s. 193.)

**§ 105-99 Wholesale distributors of motor fuels.**

Every person, firm, or corporation engaged in the business of distributing or selling at wholesale any motor fuels in this State shall apply to the Secretary for an additional annual license to engage in such business, and shall pay for such privilege an additional annual license tax determined and measured by the number of pumps owned or leased by the distributor or wholesaler through which such motor fuels are sold, at retail, according to the following schedule:

For the first 50 pumps.....	\$ 2.00 per pump
For 51 additional pumps and not more than 100 pumps.....	4.00 per pump
For 101 additional pumps and not more than 200 pumps.....	5.00 per pump
For 201 additional pumps and not more than 300 pumps.....	6.00 per pump
For 301 additional pumps and not more than 400 pumps.....	7.00 per pump
For 401 additional pumps and not more than 500 pumps.....	8.00 per pump
For 501 additional pumps and not more than 600 pumps.....	9.00 per pump
For all over 600 pumps.....	10.00 per pump

In computing the tax, the number of pumps owned or leased by a distributor or wholesaler is considered the number of dispensing nozzles from which motor fuel can be dispensed simultaneously.

Any contract or agreement, oral or written, express or implied by the terms or the effects of which the tax herein imposed shall be passed on directly or indirectly to any person, firm, or corporation not engaged in the business hereby taxed is hereby declared to be against the public policy of this State and null and void, and any person, firm, or corporation negotiating such an agreement, or receiving the benefits thereof, shall be guilty of a Class 1 misdemeanor.

The tax herein imposed shall be in addition to all other taxes imposed by this Chapter or under any other laws.

Counties, cities and towns shall not levy any tax by reason of the additional tax imposed by this section, but this section shall in no way affect the right given to counties, cities, and towns to levy taxes under G.S. 105-89.

The business taxed under this section shall not be taxed under G.S. 105-98.

(1939, c. 158, s. 162 1/2; 1963, c. 1169, s. 12; 1973, c. 476, s. 193; 1985 (Reg. Sess., 1986), c. 985, s. 3; 1993, c. 539, s. 697.)

**§ 105-102.1 Certain cooperative associations.**

(a) Every cooperative marketing association operating solely for the purpose of marketing the products of its members or other farmers, which operations may include activities which are directly related to such marketing activities, and turning back to them the proceeds of sales, less the necessary operating expenses of the association, including interest and dividends on capital stock, on the basis of the quantity of product furnished by them, and

every mutual ditch or irrigation association, mutual or cooperative telephone association or company, mutual canning association, cooperative breeding association, or like organizations or associations of a purely local character deriving receipts solely from assessments, dues or fees collected from members for the sole purpose of meeting expenses, or production credit associations organized under the act of Congress known as the Farm Credit Act of 1933, shall apply for and obtain from the Secretary of Revenue a State license for the privilege of engaging in such business in this State, and shall pay for such license an annual tax of fifty dollars (\$50.00), but shall not be required to pay any other tax levied by the provisions of this Article.

(b) Counties, cities and towns may not levy any license tax upon such cooperative marketing associations or production credit associations organized under the act of Congress known as the Farm Credit Act of 1933.

(1955, c. 1313, s. 1; 1957, c. 1340, s. 2; 1963, c. 601, ss. 1, 2; 1973, c. 476, s. 193; 1989, c. 584, s. 33.)

### **§ 105-102.5 General business license.**

(a) Every person, firm, or corporation engaging in any one of the businesses listed in subsection (b) of this section shall apply for and procure from the Secretary of Revenue a State "general business license" for the transaction of such business. The tax for each license shall be fifty dollars (\$50.00) and one license shall be obtained for each location at which any of the businesses enumerated in subsection (b) is engaged in; however, only one general business license is required for any one location regardless of how many of the enumerated businesses are being engaged in at that location by the person, firm, or corporation.

(b) The general business license shall be procured and the tax paid by the person, firm, or corporation engaged in any one or more of the following business activities:

(1) Selling, leasing, furnishing, and/or distributing movies, including video movies, for use in places where no admission fee is charged or in schools, public or private, or other institutions of learning in the State.

(2) Selling bicycles, bicycle supplies, or accessories.

(3) Selling or renting office machines, home appliances, or burglar alarms, smoke alarms, or other warning devices. As used in this subdivision, the term "office machine" includes cash registers, typewriters, word processing equipment, addressograph machines, adding machines, bookkeeping machines, calculators, billing machines, check writing machines, copying machines, dictating equipment, and data processing equipment. As used in this subdivision, the term "home appliances" includes washing machines, clothes dryers, refrigerators, freezers, vacuum cleaners, air conditioning units other than permanently installed units using internal ductwork, and sewing machines.

(4) Operating a campground, trailer park, tent camping area, or similar place for profit, advertising in any manner for transient patronage, or soliciting such business, regardless of whether the rental to patrons is on a daily, weekly, biweekly or monthly basis.

(5) Operating billiard or pool tables, whether operated by slot or otherwise.

(6) Operating a bowling alley, or alleys of like kind.

(7) Selling sandwiches (such term not to be construed to include crackers or cookies in combination with any food filling) in drug stores or any other stands or places not operating as a restaurant; operating, maintaining or placing on location fewer than five cigarette or other tobacco products dispensers, soft drink dispensers, food or other merchandising dispensers, or weighing machines; retailing soft drinks; or retailing or jobbing cigarettes or any other tobacco products.

(8) Operating a bagatelle table, merry-go-round, other riding device, hobbyhorse, switchback railway, shooting gallery, swimming pool, skating rink, other amusement of a like kind, or a place for other games or play with or without name (unless used solely and exclusively for private amusement or exercise) at a permanent location.

(9) Selling, offering, ordering for sale, repairing, or servicing pianos, organs, record players, records, tape players, tape cartridges designed for use in tape players, television sets, television accessories or repair parts, radios, or radio accessories or repair parts, including radios designed for exclusive use in motor vehicles.

(10) Manufacturing ice cream using counter freezer equipment and selling the ice cream at retail; and selling at retail ice cream purchased from a manufacturer other than a manufacturer who has paid the tax imposed in G.S. 105-97(a). For the purpose of this subdivision, "ice cream" means ice cream, frozen custards, sherbets, water ices, yogurt, and/or similar frozen products.

(c) Where applicable, the chain store license tax levied in G.S. 105-98 shall be in addition to the general business license tax levied in subsection (a).

## (d) Exemptions. --

(1) A person, firm, or corporation required to be licensed under G.S. 105- 36.1, 105-37, 105-51.1, 105-62, 105-65.1, 105-74, 105-85, 105-89, or 105- 89.1 is not required to procure for the same location the general business license imposed by this section.

(2) The tax levied on the businesses described in subdivisions (5) and (6) of subsection (b) of this section does not apply to fraternal organizations having a national charter, American Legion Posts, posts or other local organizations of other veterans' organizations chartered by Congress or organized and operating on a statewide or nationwide basis, Young Men's Christian Associations, Young Women's Christian Associations, or nonstock, nonprofit charitable recreational corporations, foundations, or centers to which a municipality or county contributes any portion of the operating expense.

(3) The tax levied on the businesses described in subdivision (7) of subsection (b) of this section does not apply to the sale, through dispensers or otherwise, of milk, milk drinks, dairy products, or newspapers, or to dispensers dispensing merchandise for five cents (5 cents or less).

(4) The tax levied on the businesses described in subdivision (8) of subsection (b) of this section does not apply to machines and devices licensed under G.S. 105-65 or G.S. 105-66.1. An organization obtaining a license under G.S. 14-309.7 is not required to obtain a license under subdivision (8) of subsection (b) of this section, but is subject to subsection (e) of this section as if a State license were required.

(5) A person, firm, or corporation licensed under this section to conduct a business described in subdivision (9) of subsection (b) is not required to procure a license under G.S. 105-89 by reason of being engaged in the business of selling, installing, or servicing motor vehicle radios.

(e) Local Licenses. -- For the businesses described under subdivisions (1) through (4), (7), (9), and (10) of subsection (b) of this section, counties may not levy a license tax. For the businesses described under subdivision (5) of this section, counties may levy on each business located outside of cities a license tax not in excess of twenty-five dollars (\$25.00). For the businesses described under subdivision (6), counties may levy on each business located outside of cities a license tax not in excess of ten dollars (\$10.00) per alley kept or maintained. For the businesses described under subdivision (8), counties may levy on each business located outside of cities a license tax not in excess of twenty-five dollars (\$25.00).

Cities may not levy a license tax on the businesses described under subdivision (3) of subsection (b) of this section. Cities may levy on each of the businesses described in subdivisions (1), (2), (5), and (8) a license tax not in excess of twenty-five dollars (\$25.00); on the businesses described in subdivision (4), cities may levy a license tax not in excess of twelve dollars and fifty cents (\$12.50); on the businesses described in subdivision (6), cities may levy a license tax not in excess of ten dollars (\$10.00) per alley kept or maintained; on the businesses described in subdivision (9), cities may levy a license tax not in excess of five dollars (\$5.00); on the businesses described in subdivision (7), cities may levy a license tax not in excess of four dollars (\$4.00); and on the businesses described in subdivision (10), cities may levy a license tax not in excess of two dollars and fifty cents (\$2.50).

Counties and cities may not levy a license tax under this section on a person, firm, or corporation required to be licensed under G.S. 105-65.1.

(1989, c. 584, s. 34; 1991, c. 45, s. 5; c. 213, s. 1.)