

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

**SESSION LAW 2006-19
HOUSE BILL 1938**

AN ACT TO TREAT COMMERCIAL LOGGING MACHINERY THE SAME AS
FARM MACHINERY UNDER THE SALES TAX.

The General Assembly of North Carolina enacts:

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

- "
" (4f) Sales of the following to a person who is engaged in the commercial logging business:
a. Logging machinery. – Logging machinery is machinery used to harvest raw forest products for transport to first market.
b. Attachments and repair parts for logging machinery.
c. Lubricants applied to logging machinery.
d. Fuel used to operate logging machinery.
"

SECTION 2. Article 5F of Chapter 105 of the General Statutes is amended by adding a new section to read:

"§ 105-187.53. Commercial logging items.

This Article does not apply to an item that is exempt from sales and use tax under G.S. 105-164.13(4f)."

SECTION 3. This act does not affect the rights or liabilities of the State, a taxpayer, or another person arising under a statute amended by this act before the effective date of this act, nor does it affect the right to any refund of a tax that accrued under the amended statute before the effective date of its amendment.

SECTION 4. This act becomes effective July 1, 2006, and applies to items purchased on or after that date.

In the General Assembly read three times and ratified this the 14th day of June, 2006.

s/ Beverly E. Perdue
President of the Senate

s/ James B. Black
Speaker of the House of Representatives

s/ Michael F. Easley
Governor

Approved 7:15 p.m. this 21st day of June, 2006