

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 1272

Short Title: Cellular Phones Sales Tax.

(Public)

Sponsors: Senators Hoyle; Rand, Cooper, Martin of Pitt, Ballance, Forrester, Carpenter, East, Davis, Page, Smith, Warren, McKoy, Plyler, Ledbetter, Speed, Kincaid, Cochrane, Ballantine, McDaniel, Hartsell, Horton, Simpson, Edwards, Allran, Conder, Albertson, Sherron, Little, Soles, Perdue, Carrington, Clark, Plexico, Gulley, and Hobbs.

Referred to: Finance.

May 23, 1996

1 A BILL TO BE ENTITLED
2 AN ACT TO MODIFY THE SALES AND USE TAX TREATMENT OF CELLULAR
3 TELEPHONES AND OTHER ITEMS SOLD IN CONNECTION WITH
4 COMMERCIAL MOBILE RADIO SERVICE.

5 The General Assembly of North Carolina enacts:

6 Section 1. Article 5 of Chapter 105 of the General Statutes is amended by
7 adding a new section to read:

8 "**§ 105-164.12B. Mobile radio service transactions.**

9 (a) Definitions. – The following definitions apply in this section:

10 (1) Commercial mobile service. – Defined in 47 U.S.C. § 332(d).

11 (2) Mobile radio equipment. – Equipment, accessories, fixtures, and other
12 similar tangible personal property used in connection with the sale of
13 commercial mobile service.

14 (b) Tax Treatment. – For the purpose of this Article, a retail transaction in which a
15 seller transfers mobile radio equipment to a consumer for a consideration is a sale and the
16 sales price is the price in money the seller charges the consumer, regardless of whether
17 the price charged is below the cost price the seller paid for the equipment."

1 Sec. 2. This act becomes effective on the first day of the second month
2 following its ratification and applies to sales made on or after that date.