

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003**

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**HOUSE BILL 1149**

Short Title: No Sales Tax on Free Publications. (Public)

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Sponsors: Representatives Nesbitt; and Luebke.

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Referred to: Finance.

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April 10, 2003

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXEMPT FREE CIRCULATION PUBLICATIONS FROM THE SALES  
3 TAX.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-164.13(39) is reenacted and rewritten to read:

6 "(39) Sales of paper, ink, and other tangible personal property to commercial  
7 printers and commercial publishers for use as ingredients or  
8 component parts of free circulation publications and sales by printers  
9 of free circulation publications to the publishers of these publications.  
10 As used in this subdivision, the term 'free circulation publication'  
11 means a publication that is published on a periodic basis at recurring  
12 intervals and, without charge to the recipient, is mailed or is distributed  
13 house-to-house, by street distributors, in racks, or in any other manner  
14 at other locations."

15 **SECTION 2.** This act becomes effective July 1, 2003, and applies to sales  
16 made on or after that date.