GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 2007

H **1**

HOUSE BILL 1085

Short Title:	Sales Tax Exemption for US Flags.	(Public)
Sponsors:	Representatives Setzer; Hilton, Moore, Samuelson, and Underhill.	
Referred to:	Judiciary II, if favorable, Finance.	

March 28, 2007

A BILL TO BE ENTITLED

AN ACT TO EXEMPT THE SALES PRICE OF THE UNITED STATES FLAG FROM SALES AND USE TAX.

The General Assembly of North Carolina enacts:

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

"**§ 105-164.13. Retail sales and use tax.**

The sale at retail and the use, storage, or consumption in this State of the following tangible personal property and services are specifically exempted from the tax imposed by this Article:

…

(56) Sales of the flag of the United States, as the term "flag of the United States" is defined in 4 U.S.C.A. 1 and 4 U.S.C.A. 2."

SECTION 2. This act becomes effective July 1, 2007, and applies to sales made on or after that date.