

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2003

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HOUSE BILL 677  
Committee Substitute Favorable 6/23/03

Short Title: Reduce Sales Tax on Funerals.

(Public)

Sponsors:

Referred to:

March 26, 2003

A BILL TO BE ENTITLED

AN ACT TO REDUCE THE SALES AND USE TAX ON FUNERAL EXPENSES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-164.13(18) reads as rewritten:

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

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

...

(18) Funeral expenses, including coffins and caskets, not to exceed ~~one two~~ thousand five hundred dollars (~~(\$1,500); (\$2,500)~~). All other funeral expenses, including gross receipts for services rendered, ~~shall be~~ taxable at the general rate of tax set in G.S. 105-164.4. However, "services rendered" ~~shall~~ does not include those services ~~which that~~ have been taxed pursuant to G.S. 105-164.4(4), or ~~to~~ those services performed by any beautician, cosmetologist, hairdresser or barber employed by or at the specific direction of the family or personal representative of a ~~deceased; and~~ deceased. In addition, "funeral expenses" and "services rendered" ~~shall~~ do not include death certificates procured by or at the specific direction of the family or personal representative of a deceased. ~~Where~~ When coffins, ~~easkets~~ caskets, or vaults are purchased direct and a separate charge is paid for services, the provisions of this subdivision ~~shall~~ apply to the total for both."

**SECTION 2.** This act becomes effective July 1, 2004, and applies to sales made on or after that date.