## Affidavit To Exempt Contractors From the 1/4% County Sales and Use Tax

To be used in connection with sales or purchases of building materials for use in the performance of lump sum or unit price contracts entered into or awarded prior to the effective date of the levy in a county that imposes the 1/4% county sales and use tax, or entered into or awarded pursuant to bids made prior to this date. This affidavit is to be executed by the contractors to their suppliers of building materials and is valid only when used in connection with the 1/4% county sales and use tax.

This is to certify that	_, a contracto	r, entered into	a lump sum
or unit price contract with	on		or pursuant
to a firm bid made on whereby said contractor agree	d to furnish the	materials and	labor for the
erection, alteration, or repair of a building or structure at			·
This affidavit is submitted to	, a sı	upplier of buildir	ng materials,

for the completion of such lump sum or unit price contract without charging the 1/4% county sales or use tax.

It is understood and agreed that the contractor will retain on file the original or duplicate original of said lump sum or unit price contract for a period of not less than three years from the date this affidavit was executed for examination by an authorized agent of the Secretary of Revenue of North Carolina with respect to the sales and use tax liability of the aforesaid building contractor or supplier.

Contractor/Subcontractor				
By:				
Authorized Agent	Title	Telephone Number	Date	

## Instructions

- This affidavit must be fully completed in all respects by a general contractor or a subcontractor who has entered into a lump sum or unit price contract, or was awarded such contract pursuant to a bid made prior to the effective date of the levy in a county that imposes the 1/4% county sales and use tax, for the erecting, altering, or repairing of a building or structure. It must be submitted by such contractor to a supplier of building materials as evidence of the holding of such lump sum or unit price contract.
- 2. The building materials supplier and the contractor should retain the affidavit on file for a period of not less than three years.
- 3. The contractor must retain on file the original or duplicate original of the lump sum or unit price contract.
- 4. Purchase orders, invoices, shipping orders, delivery tickets, or any other pertinent records of the supplier and contractor must be subject to examination as evidence of such facts.

Under the provisions of G.S. 105-236(7), any person who willfully attempts, or who aids or abets any person to attempt, in any manner to evade or defeat any tax imposed by law, or the payment of the tax, is guilty of a Class H felony. For each misuse of an exemption certificate, the Secretary must assess against the purchaser a penalty of \$250.