IMPORTANT NOTICE: SALES TAX RATE INCREASE FOR AIRCRAFT

This notice addresses a change in the sales and use tax rate and the maximum tax per article applicable to the sales price of an aircraft.

Effective October 1, 2015, the sales price of an aircraft sold at retail is subject to the 4.75% general State rate of tax with a maximum tax per article of $2,500. The sales price of an aircraft includes all accessories attached to the aircraft when it is delivered to the purchaser. N.C. Gen. Stat. § 105-467(a) has also been amended to provide that the sale of an aircraft is not subject to the local and transit rates of sales and use tax.

Reporting the Tax
Gross receipts derived from the retail sale of an aircraft and the 4.75% general State rate of tax thereon are to be reported to the Department on Line 4 of Form E-500, Sales and Use Tax Return, or through the Department's online filing and payment system.

For a business or person who is not registered with the Department and is required to remit use tax on an aircraft purchased or received from within or without this State for storage, use, or consumption in this State on which sales tax has not been paid, the business or person must file Form E-555, Boat and Aircraft Use Tax Return.

Assistance
General questions regarding this notice should be directed to the Taxpayer Assistance and Collection Center at telephone number 1-877-252-3052 (toll-free).

To the extent that there is any change in statute or regulation, or new case law subsequent to the date of this notice, the provisions in this important notice may be superseded or voided. To the extent that any provisions in any other notice, directive, technical bulletin, or published guidance regarding sales and use tax issued prior to the date of this notice conflicts with this important notice, the provisions contained in this important notice supersede.