

North Carolina Department of Revenue

Pat McCrory Governor	Lyons Gray Secretary
	August 4, 2014
	FEIN:
Attention:	
	Re: Request for Private Letter Ruling
Dear Mr.	
We received, via facsimile on April 29 behalf of your client, information service as it relates to North	9, 2014, a copy of your letter dated January 3, 2012, on requesting a ruling of the company's online wellness th Carolina sales and use tax.
You advise that	
of The software application be hosted on a server outside the standard participant delivery of the customer is the employees' interparticipant has the ability to establish a assessment which coprovided by licensed medical personner.	The service consists of two components. be-portal and annually in person through a representative ation utilized by in providing this service will tate of North Carolina. The web portal will provide the information. A primary benefit to raction and tracking of their personal information. The an individual personal portal to record various items, will also provide an annual onsists of a questionnaire and general blood/lipid panel el. The personal results collected are reported back to the and] are personal and individual in nature."
In a letter dated May 28, 2014, representatives employed by medical facilities. The new services. The individuals are not employed.	are nedical facility is hired by to perform these
	d January 3, 2012 that "[s]ales tax has been paid on all evelopment of this service. At this time, no sales of
services provided by software company and does not prov 105-164.3(48)(a) specifically states t	provides wellness services and is not a ride telecommunication services. NC. Rev. Stat. Ann. § that telecommunications service does not include '[a]n nn § 105-164.3(14a) defines an information service as '[a]

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service that generates, acquires, stores, processes, or retrieves data and information and delivers it electronically to or allows electronic access by a consumer whose primary purpose for using the service is to obtain the processed data or information."

Based solely on the facts presented in your letter and subsequent letter from Mr. it is determined that gross receipts derived from receipts the company's online wellness information service are for an "information service" as is defined in N.C. Gen. Stat. § 105-164.3(14a). Pursuant to the provisions of N.C. Gen Stat. § 105-164(a)(6b) in reference to digital property, "[t]he [sales] tax does not apply . . . to an information service." Therefore, the receipts derived from the online wellness information service are not subject to the State and local sales and use tax.

This letter ruling is based solely on the facts submitted to the Department of Revenue for consideration of the transactions described. If the facts and circumstances given are not accurate, or if they change, then the taxpayer requesting this ruling may not rely on it. If a taxpayer relies on this letter ruling and the Department discovers, upon examination, that the fact situation of the taxpayer is different in any material aspect from the facts and circumstances given in this letter ruling, the letter ruling will not afford the taxpayer any protection. It should be noted that this letter ruling is not to be cited as precedent and that a change in statute, a regulation, or case law could void this ruling.

If you have any questions, you may contact me at the telephone number listed at the bottom of the first page of this letter.

Very truly yours,

Administration Officer
Sales and Use Tax Division

cc: Director of Sales and Use Tax Division