

E-589F

Affidavit to Exempt Certain Purchases From the Additional 0.50%Transit Sales and Use Tax

Check appropriate box:

☐ Durham ☐ Orange			
This affidavit is to be used in connection with services for use in the performance of lump into or awarded prior to April 1, 2013, or enter This affidavit is to be executed by a person services and is valid only when used in contransportation in Durham or Orange Counties	-sum or unit-price contracts in ered into or awarded pursuant n to their suppliers of tangible nection with the additional 0.5	Durham or Orange Counting to any bids made prior to Ape e personal property, digital p	es entered ril 1, 2013. property, or
<u>_</u>			
☐ Wake			
This affidavit is be used in connection with property, digital property, or services for us County entered into or awarded prior to Aprito April 1, 2017. This affidavit is to be execuproperty, or services and is valid for the addit County.	se in the performance of lun il 1, 2017, or entered into or a ted by a person to their suppl	np-sum or unit-price contract warded pursuant to any bids iers of tangible personal prop	s in Wake made prior erty, digital
This is to certify that		a person, entered into a lump-	sum or unit-
price contract with	on	or pursu	ant to a bid
made on where	eby said person agreed to fur	nish tangible personal prop e	erty, digital
property, or services at the following address	S	1	This affidavit
is submitted by the below named person to			, a
supplier of tangible personal property, digital	al property, or services, for t	he purpose of authorizing said	d supplier to
furnish tangible personal property, digital p	property, or services to the p	erson for use in a lump-sum	or unit-price
contract in Durham, Orange, or Wake Count	ies without charging the addi	tional 0.50% Transit sales or	use tax on
qualifying property or services, as provided he	rein.		
It is understood and agreed that the person we lump-sum or unit-price contract and a copy of Secretary of Revenue of North Carolina with re	f the issued form on file for e	xamination by an authorized a	agent of the
	Person (Issuer of Form)		
Bv:	,		
By: Authorized Agent of Person	Title	Telephone Number	Date

General Guidance and Instructions

- 1. For the purpose of this affidavit, a "person" may include a real property contractor, retailer-contractor, or a subcontractor of a real property or retailer-contractor.
- 2. This affidavit must be fully completed in all respects by a person who has: (a) entered into a lump-sum or unit-price contract, or was awarded such contract in **Durham or Orange Counties** pursuant to a bid made, <u>prior to April 1</u>, <u>2013</u>. The affidavit must be submitted by such person to a supplier of **tangible personal property**, **digital property**, **or services** as evidence of the holding of such lump-sum or unit-price contract; or (b) entered into a lump-sum or unit-price contract, or was awarded such contract in **Wake County** pursuant to a bid made prior to April 1, 2017.
- 3. Where a retailer-contractor, acts as a contractor or subcontractor, withdraws tangible personal property from inventory and installs or applies the tangible personal property to real property to fulfill a contract, such person must accrue and remit use tax on the retailer-contractor's purchase price of the tangible personal property, unless an exemption for tangible personal property is in effect on the date the lump-sum or unit-price contract is entered into or awarded pursuant to a bid.
- 4. "[T]he liability of a retailer-contractor, a subcontractor, an owner, or lessee who did not purchase the property or service is satisfied by receipt of an affidavit from the purchaser certifying that the tax has been paid." N.C. Gen. Stat. § 105-164.4H(b1). Additionally, N.C. Gen. Stat. § 105-164.6(b) provides "[t]he tax imposed by this section is payable by the person who purchases, leases, or rents tangible personal property or digital property or who purchases a service. If the property purchased becomes a part of a building or other structure in the State and the purchaser is a contractor or subcontractor, the contractor, the subcontractor, and the owner of the building are jointly and severally liable for the tax. The liability of a contractor, a subcontractor, or an owner who did not purchase the property is satisfied by receipt of an affidavit from the purchaser certifying the tax has been paid." [Emphasis added.]
- 5. Purchase orders, invoices, shipping orders, delivery tickets or any other pertinent records of a person will be subject to examination as evidence of facts.
- 6. Under the provisions of N.C. Gen. Stat. § 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.