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Revised 3/15/22
SECTION ONE:
STATE TAXATION AND NONPROFIT ORGANIZATIONS

INTRODUCTION

This publication is designed to provide nonprofit organizations with guidance regarding their filing and reporting obligations to the North Carolina Department of Revenue (“Department”) for tax purposes.

This publication addresses the following subjects:

1. The Requirements for Tax Exemption or Tax Refund
2. The Filing Requirements for Nonprofit Organizations
3. Frequently Asked Questions

The terms “nonprofit” and “tax-exempt” are not synonymous. Not all nonprofit organizations are tax-exempt. The fact that an organization may be organized and operated as a nonprofit under applicable state law does not establish tax exemption for the organization. To qualify for tax exemption, an organization must meet specific federal and state guidelines.

Federal income tax exemption for organizations is provided in Section 501 of the Internal Revenue Code (“Code”). To qualify for federal income tax exemption under this section of the Code, the organization must be a corporation, community chest, fund, or foundation. A trust is a fund or foundation and will qualify. However, an individual or a partnership will not qualify. The organization or corporation must be organized for one or more of the purposes designated in the Code. Code § 501(c) lists several types of tax-exempt organizations and the purposes under which the organizations must be organized in order to qualify for federal income tax exemption.

Code § 501(c)(3) lists the most common tax-exempt organizations. These organizations may be established for the following purposes: religious, educational, charitable, scientific, literary, testing for public safety, fostering certain national or international amateur sports competitions, or prevention of cruelty to children or animals. For a nonprofit corporation to qualify for a Code § 501(c)(3) exemption status, it must include and abide by the requisite statement of purpose in its articles of incorporation. Also, the corporation must submit to the Internal Revenue Service, (“IRS”), Form 1023, "Application for Recognition of Exemption." Contributions made to organizations that have been approved for tax exemption by the IRS under Code § 501(c)(3) are deductible by the donor as “charitable contributions” as defined in Code Section 170(c).
The following is a list of publications available from the IRS regarding federal income tax exemption that may be obtained by either calling or writing the IRS (see Directory).

i. Publication 557, Tax-Exempt Status for Your Organization
ii. Publication 598, Tax on Unrelated Business Income of Exempt Organizations
iii. Publication 892, How to Appeal an IRS Decision on Tax-Exempt Status

**SECTION TWO:**
FRANCHISE AND CORPORATE INCOME TAX
G.S. §§ 105-125(a) and 105-130.11

**2.1: NONPROFIT CORPORATIONS ORGANIZED IN NORTH CAROLINA**

For nonprofit corporations organized under Chapter 55A of the North Carolina General Statutes, there is no formal application or fee required to obtain a State franchise and income tax exemption. The process begins when the organization incorporates with the North Carolina Secretary of State. After a nonprofit corporation is registered with the Secretary of State, the corporation can determine whether or not it should seek a letter of exemption from the Department. A corporation that wishes to obtain a letter of exemption must provide a copy of its Articles of Incorporation, Bylaws, and Federal Determination Letter (if applicable) to the Department. The Department will evaluate the documents and issue a determination letter advising the corporation of its tax status and any filing requirements. Under North Carolina law, organizations that are exempt from federal income tax under the Code are exempt from the corporate income tax imposed under G.S. 105-130.3 on income that is not unrelated business income as defined in Code Section 512. In addition, except as otherwise provided by North Carolina law, an organization that is qualified for exemption from federal income tax under the Code is also exempt from the franchise taxes imposed under Article 3 of the North Carolina Revenue Law. (See N.C. Gen. Stat. § 105-125)

The Department does not issue "exempt numbers" for franchise and corporate income tax purposes, but it does issue letters of tax exemption. The nonprofit corporation should use its federal identification number to file North Carolina franchise and corporate income tax returns.

**Important.** Except as provided by North Carolina tax law, a nonprofit corporation that does not request a tax-exempt letter from the Department is considered subject to franchise and corporate income tax. The nonprofit corporation must make available any records the Department considers necessary to determine and verify whether or not the corporation is subject to tax.
2.2: UNINCORPORATED ENTITIES AND ENTITIES ORGANIZED OUTSIDE NORTH CAROLINA

Entities organized outside North Carolina and unincorporated entities that desire a tax-status ruling should make a request by letter accompanied by a copy of the Bylaws, Constitution, or other organizational documents. To qualify for tax-exempt status, the organization’s Constitution, Bylaws, or Articles of Incorporation must include the following provisions:

i. Entity is organized exclusively for one or more of the purposes specified in Section 501(c) of the Code of 1986 or any successor section, including for such purposes, the making of distributions to organizations that qualify as exempt organizations under Section 501(c) of the Code of 1986.

ii. No part of the net earnings of the organization shall inure to the benefit of its members, directors, officers, or other persons except that the organization shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the exempt purposes of the organization.

iii. In the event of dissolution, the residual assets of the organization will be turned over to one or more organizations with similar purposes which are exempt as organizations described in Section 501(c) of the Code of 1986.

2.3: FILING REQUIREMENTS

The IRS requires tax-exempt organizations with gross receipts greater than $25,000 to file an information only return (Federal Form 990) even if the organization has no taxable unrelated business income. A copy of Form 990 is not required to be filed with the Department.

An organization’s letter of tax exemption will state whether or not the nonprofit corporation is required to file franchise and corporate income tax returns with the Department. Any questions concerning the filing of returns should be referred to the Nonprofit Corporate Tax section of the Corporate Tax Division.

Unrelated Income Tax Filed on CD-405 [G.S. 105-130.11(b), (c)]

Tax-exempt organizations are required to report unrelated business income under N.C. Gen. Stat. § 105-130.11(b) or (c). Tax-exempt organizations with unrelated business income must complete the income tax schedules of the North Carolina Franchise and Corporate Income Tax Return (Form CD-405) and file the return by the 15th day of the fifth month after its year end and pay tax at the statutory corporate rate. Tax-exempt organizations required to file a return to report unrelated business income are not subject
to the franchise tax imposed under N.C. Gen. Stat. § 105-122 and should not complete the franchise tax schedules on Form CD-405. For more specific information on what constitutes unrelated business income for a tax-exempt organization, refer to the Internal Revenue Service Publication 598, Tax on Unrelated Business Income of Exempt Organizations.

SECTION THREE: SALES AND USE TAX
G.S. §§ 105-164.4, 105-164.4G, 105-164.6, 105-164.13, and 105-164.14

3.1: PURCHASES BY NONPROFIT ORGANIZATIONS

A nonprofit organization must pay the applicable rates of sales or use tax when it purchases items (i.e. tangible personal property, digital property, and services) for use or consumption. North Carolina law does not exempt nonprofit organizations from payment of sales and use tax on items they purchase for use or consumption. However, a qualified nonprofit organization listed in G.S. 105-164.14(b) may seek semiannual refunds of sales and use tax paid by the qualified nonprofit organization on direct purchases of items that are used to carry out their nonprofit work. This refund is not to include sales tax remitted on taxable sales made by such organization. For additional details, see Section 3.3 below.

When a nonprofit organization purchases taxable items for use from a seller that charges the applicable rates of sales and use tax, the organization must pay the tax to the seller. If a nonprofit organization purchases taxable items from a seller that does not collect the applicable rates of sales and use tax, the organization must register with the Department (if not already registered for the purpose of remitting tax on retail sales), file a sales and use tax return, and remit the use tax due on the purchase price of the items. An organization registered with the Department that does not owe tax for a reporting period must file a return reflecting ($0.00) on the “Total Due” line. To register, the organization must use the Online Business Registration Portal or mail a completed Form NC-BR, Business Registration Application for Income Tax Withholding, Sales and Use Tax, and Other Taxes and Service Charge, to the Department. There is no fee for registering.

3.2: SALES BY NONPROFIT ORGANIZATIONS

Generally, a nonprofit organization making retail sales must collect and remit the applicable sales and use tax due to the Department. Before making retail sales, a nonprofit organization must obtain a Certificate of Registration by registering online through the Online Business Registration Portal or by mailing a completed Form NC-BR,
Business Registration Application for Income Tax Withholding, Sales and Use Tax, and Other Taxes and Service Charge, to the Department. The nonprofit organization must collect and remit the sales and use tax due on its retail sales unless the sales are specifically exempt by statute. There is no fee for registering. The tax remitted to the Department by the nonprofit organization on retail sales should not be included in its refund claim.

A nonprofit organization registered to collect sales and use tax may purchase items for resale without paying tax to sellers by furnishing the sellers with a properly executed Form E-595E, Streamlined Sales and Use Tax Agreement Certificate of Exemption. A nonprofit organization may not use an exemption certificate to purchase items that will be used or consumed by such entity. A penalty of $250.00 can be assessed when a purchaser issues a Form E-595E in connection with a purchase of an item that is purchased for use or consumption, and not for resale.

Qualifying nonprofit entities making retail sales of tangible personal property, certain digital property, or certain services are not required to collect sales and use tax if the sales meet the following exemption provisions:

i. Food, prepared food, soft drinks, candy, and other tangible personal property sold not for profit for or at an event that is sponsored by an elementary or secondary school when the net proceeds of the sales will be given or contributed to the school or to a nonprofit charitable organization, one of whose purposes is to serve as a conduit through which the net proceeds will flow to the school. For purposes of this exemption, the term "school" is an entity regulated under Chapter 115C of the General Statutes.

ii. Food and prepared food sold by a church or religious organization not operated for profit when the proceeds of the sales are actually used for religious activities.

iii. Sales by a nonprofit civic, charitable, educational, scientific, literary, or fraternal organization when all of the conditions listed in this subdivision are met. This exemption does not apply to gross receipts derived from an admission charge to an entertainment activity.

a. The sales are conducted only upon an annual basis for the purpose of raising funds for the organization's activities.
b. The proceeds of the sale are actually used for the organization's activities.
c. The products sold are delivered to the purchaser within 60 days after the first solicitation of any sale made during the organization's annual sales period.

A nonprofit organization must collect sales tax on the gross receipts it derives from admission charges to an entertainment activity unless one of the exemptions listed in G.S. 105-164.4G(f) apply. At the time of this publication, the following gross receipts derived from an admission charge to an entertainment activity are specifically exempt from tax:
i. The portion of a membership charge that is deductible as a charitable contribution under section 170 of the Internal Revenue Code or that is described in section 170(1)(2) of the Internal Revenue Code.

ii. A donation that is deductible as a charitable contribution under section 170 of the Internal Revenue Code or that is described in section 170(1)(2) of the Internal Revenue Code.

iii. Charges for an amenity. If charges for amenities are separately stated on a billing document given to the purchaser at the time of the sale, then the tax does not apply to the separately stated charges for amenities. If charges for amenities are not separately stated on the billing document given to the purchaser at the time of the sale, then the transaction is a bundled transaction and taxed in accordance with G.S. 105-164.4D except that G.S. 105-164.4D(a)(3) does not apply.

iv. An event that is sponsored by an elementary or secondary school. For purposes of this exemption, the term “school” is an entity regulated under Chapter 115C of the General Statutes.

v. An event sponsored solely by a nonprofit entity that is exempt from tax under Article 4 of Chapter 105 of the General Statutes if all of the following conditions are met:
   a. The entire proceeds of the activity are used exclusively for the entity’s nonprofit purposes.
   b. The entity does not declare dividends, receive profits, or pay salary or other compensation to any member or individuals.
   c. The entity does not compensate any person for participating in the event, performing in the event, placing in the event, or producing the event. For purposes of this subdivision, the term “compensation” means any remuneration included in a person’s gross income as defined in section 61 of the Internal Revenue Code.

vi. An event sponsored by a farmer that takes place on farmland and is related to farming activities, such as a corn maze or a tutorial on raising crops or animals. For purposes of this exemption, a farmer is a person who holds a qualifying farmer sales tax exemption certificate and farmland is land that is enrolled in the present-use value program under G.S. 105-277.3.

For more information on taxable and exempt sales by nonprofit organizations, refer to Sales and Use Tax Bulletin 62-1 or call the Department at 1-877-252-3052.
3.3: REFUND PROVISIONS

A nonprofit organization eligible for refund under the provisions of G.S. 105-164.14(b) may file Form E-585, Nonprofit and Governmental Entity Claim for Refund State, County, and Transit Sales and Use Taxes. The nonprofit organization should include sales and use tax it paid directly to sellers, use tax accrued and remitted to the Department, and certain other tax deemed to be paid directly by the nonprofit organization by G.S. 105-164.14(b). The food, county, and transit sales or use taxes must be separately stated on the claim for refund. If the nonprofit organization seeks a refund of tax paid to more than one county, or tax paid to a county other than the county where the nonprofit organization is located, the nonprofit organization must complete and attach Form E-536R, Schedule of County Sales and Use Taxes for Claims for Refund, showing the amount of each county’s tax separately. Refund claims must be substantiated by proper documentary proof and only the taxes actually paid by the claimant during the period for which the claim for refund is filed may be included in the claim.

In order to receive a determination as to whether an organization qualifies for tax refunds, a nonprofit organization must provide to the Department: its Federal Employer Identification Number (EIN); a copy of the entity’s determination letter (501(c)(3) letter) issued by the Internal Revenue Service; and the organization’s National Taxonomy of Exempt Entities (NTEE) Code. An Exempt Organizations Master Listing by state, which lists the NTEE codes for many organizations, can be found at http://www.irs.gov/Charities-Non-Profits/Exempt-Organizations-Business-Master-File-Extract-EO-BMF. If the organization is not incorporated, it must furnish a copy of its Bylaws, Constitution, or other organizational documents.

Claims for refund are filed semiannually. The claim for refund of sales and use taxes paid during the period January 1 through June 30 is due to be filed by October 15 of the same year. The claim for refund for the period July 1 through December 31 is due to be filed by April 15 of the following year. Claims for refund which are filed more than three years after the due date are barred by statute.

The State sales and use tax aggregate annual refund amount for a fiscal year for a nonprofit entity must not exceed $31,700,000 (total for both six month periods). The food, county, and transit sales and use tax aggregate annual refund amount for a fiscal year for a nonprofit entity must not exceed $13,300,000 (total for both six month periods). Each cap applies separately.

Taxes paid on any of the following items are nonrefundable: Electricity, piped natural gas, telecommunications and ancillary services, video programming, prepaid meal plans; the purchase, lease, rental, or subscription of motor vehicles; local occupancy or local prepared food and beverage taxes; scrap tire disposal or white goods disposal taxes; reimbursements for travel expenses; and alcoholic beverages.
A nonprofit organization may file a claim for refund pending the Department’s determination of the organization’s eligibility to receive refunds. For more information on refunds to nonprofit institutions or organizations, refer to Sales and Use Tax Bulletin 74-3.

SECTION FOUR:
PROPERTY TAX
G.S. §§ 105-278.3 through 105-278.8

4.1: FILING REQUIREMENTS

The North Carolina General Statutes require all property to be subject to ad valorem taxation unless specifically exempt or excluded from such taxation in the Machinery Act or in the Constitution. Under G.S. 105-282.1(a), every owner of property claiming exemption or exclusion from property taxes has the burden of establishing that the property is entitled thereto. Therefore, a nonprofit organization that claims exemption or exclusion from the property tax on its property must complete and file an application to enable the assessor to determine whether the property falls within the statutory definition of the exemption or exclusion for which application has been made.

The Machinery Act states that all property is subject to ad valorem taxation unless specifically exempted or excluded from such taxation by statute. All taxpayers claiming an exemption or exclusion are required to file an application for the benefit requested each year, unless otherwise provided in G.S. 105-282.1(a). Some property classes have been granted special application requirements and do not have to file annual applications. Certain nonprofit organizations, such as religious and educational institutions, are included in the category that requires the owner to file an initial application, and after approval, the owner is not required to file an application in the subsequent years except in the following circumstances:

i. “New or additional property is acquired or improvements are added or removed, necessitating a change in the valuation of the property; or

ii. There is a change in the use of the property or the qualifications or eligibility of the taxpayer necessitating a review of the exemption or exclusion.” G.S. 105-282.1(a)(2).

The taxpayer has the responsibility of notifying the assessor of any change listed above by filing a new application during the listing period immediately following the year in which the change occurred. If the new application indicates that the property no longer qualifies for exemption or exclusion, the property must be returned to taxable status.
4.2: EXCEPTIONS AND EXCLUSIONS

Following is a partial listing of the exceptions and exclusions as allowed through the statutory provisions of the Machinery Act. Although exclusions are, by statute, not to be listed, appraised, assessed, or taxed, they are also subject to the application provisions of G.S. 105-282.1. Therefore, like exemptions, nonprofit owners of property claiming an exclusion have the burden of establishing that they are entitled to the benefit and must file an application unless otherwise stated in the statute. Exclusions requiring an application should be listed, appraised, assessed, and taxed until the proper application has been filed and approved.

Please note that these are summary titles of the property classes. Always consult the specific statutory provision to determine all requirements necessary for the particular classes to be eligible for exemption or exclusion.

No Application Required

i. G.S. 105-275(15) standing timber and forest growth
ii. G.S. 105-275(16) non-business personal property
iii. G.S. 105-275(26) tangible personal property manufactured for nonresidential customers
iv. G.S. 105-275(31) intangible personal property
v. G.S. 105-275(32a) inventories owned by contractors
vi. G.S. 105-275(33) inventories owned by manufacturers
vii. G.S. 105-275(34) inventories owned by retail and wholesale merchants
viii. G.S. 105-275(37) poultry and livestock and feed used in their production
ix. G.S. 105-275(40) certain computer software
x. G.S. 105-275(42) vehicle offered at retail for short-term lease or rental
xi. G.S. 105-275(44) free samples of drugs
xii. G.S. 105-277(g) certain solar energy heating or cooling systems
xiii. G.S. 105-278.1 government owned
xiv. G.S. 105-278.2 cemeteries

Only Initial Application Required

i. G.S. 105-275(3) nonprofit water and sewer associations
ii. G.S. 105-275(7) public parks and drives
iii. G.S. 105-275(8) pollution abatement and recycling property
iv. G.S. 105-275(12) protected natural area
v. G.S. 105-275(17) veterans organizations
vi. G.S. 105-275(18) masonic orders
vii. G.S. 105-275(19) fraternal and civic orders
viii. G.S. 105-275(20) goodwill industries
ix. G.S. 105-275(35) severable development rights
x. G.S. 105-275(39) nonprofit corporation property used for public purpose
An annual application is required for all programs that are not specifically listed in G.S. 105-282.1(a).

### SECTION FIVE:
### MOTOR FUELS TAX

**G.S. § 105-449.106**

#### 5.1: TAXABLE PURCHASES

Article 36C of the North Carolina Revenue Law imposes a tax on motor fuel to provide revenue for the State's transportation needs and for the other purposes listed in Part 7 of the Article. The tax is collected from the supplier or importer of the fuel because this method is the most efficient way to collect the tax. However, the tax is designed to be paid ultimately by the person who consumes the fuel. The tax becomes a part of the cost of the fuel and is consequently paid by those who subsequently purchase and consume the fuel. Under the provisions of G.S. 105-449.106, certain nonprofit organizations that purchase and use motor fuel may receive a quarterly refund for the excise tax paid during
the preceding quarter at a rate equal to the tax rate in effect under G.S. 105-449.80 for the time period for which the refund is claimed, less one cent per gallon. The following entities may receive a refund under this section:

i. A private, nonprofit organization that transports passengers under contract with or at the express designation of a unit of local government.
ii. A volunteer fire department.
iii. A volunteer rescue squad.
iv. A sheltered workshop recognized by the Department of Health and Human Services.

An application for a refund allowed under this section must be signed by the chief executive officer of the entity. The chief executive officer of a nonprofit organization is the president of the organization or another officer of the organization designated in the charter or bylaws of the organization.

5.2: REFUND PROVISIONS

A nonprofit institution or organization eligible for a refund of excise taxes under the provisions of G.S. 105-449.106 must complete Form GAS-1200, Motor Fuels Claim for Refund Nonprofit Organizations to request a refund. All refund applications must be supported by records maintained in accordance with 17 NCAC 12B .0413 and any additional records identified in Form GAS-1200 Instructions.

An applicant must submit all the following items with its initial application for refund:

i. A copy of its corporate charter.
ii. A copy of its bylaws.
iii. If the person who signed the return was not the chief executive officer, a copy of the minutes substantiating the person’s authority to sign the application for refund.
iv. If applicable, a copy of the qualifying contract with a governmental entity.
v. Copies of receipts or invoices for motor fuel purchased.

Only taxes paid by the claimant during the period for which the claim for refund is filed may be included in the claim.

An application for a quarterly refund of excise tax is due by the last day of the month following the end of the calendar quarter for which the refund is claimed. The claim for refund of excise taxes paid during the first quarter (January 1 through March 31) is due to be filed by April 30. The claim for refund for the second quarter (April 1 through June 30) is due to be filed by July 31. The claim for refund for the third quarter (July 1 through September 30) is due to be filed by October 31. The claim for refund for the fourth quarter (October 1 through December 31) is due to be filed by January 31 of the following year.
An application for refund filed more than three years after the date the application is due is barred by statute under G.S. 105-449.108.

If you need assistance with completing and filing the application, you may call the Excise Tax Division at the toll-free number (877) 308-9092. Any written correspondence should be mailed to:

North Carolina Department of Revenue
Excise Tax Division
3301 Terminal Drive, Suite 125
Raleigh, NC 27604-3896

SECTION SIX:
WITHHOLDING TAX
G.S. §§ 105-163.1 through 105-163.10

6.1: GENERAL PROVISIONS

The North Carolina General Statutes require employers to withhold State income tax from wages paid to all residents regardless of where earned and from wages paid to nonresidents for personal services performed in North Carolina. An employer is any person or organization for whom an individual performs services for wages. The term includes federal, state, and local government agencies as well as religious, charitable, educational and other nonprofit organizations even though they may be exempt for other tax purposes.

If, in the course of your trade or business, you pay non-wage compensation of more than $1,500 during the calendar year to a payee for services performed in North Carolina, you must withhold State income tax at the rate of four percent (4%) from the non-wage compensation. A payee is any of the following:

(a) **A nonresident contractor.** A nonresident contractor is defined as a nonresident individual or a nonresident entity that performs services in this State which are in connection with a performance, an entertainment or athletic event, a speech, or the creation of a film, radio, or television program;
(b) **An ITIN contractor.** An ITIN contractor is defined as an individual who performs services in North Carolina for compensation other than wages, and whose taxpayer identification number is an Individual Taxpayer Identification Number (ITIN), including applied for and expired numbers;
(c) An individual or entity that fails to provide you with a taxpayer identification number; or
(d) An individual or entity that provides you an invalid taxpayer identification number and you have been notified by the Department that the identification number is invalid.

The requirement to withhold State income tax from non-wage compensation paid to a payee does not apply to:

(a) An ordained or licensed member of the clergy;
(b) An entity exempt from tax under G.S. 105-130.11; or
(c) An ITIN contractor who is temporarily admitted to the United States to perform agricultural labor or services under an H-2A visa and who is not subject to federal income tax withholding under section 1441 of the Code. In addition, the 4% withholding requirement does not apply to compensation that is subject to wage withholding requirements.

If you pay non-wage compensation for personal services performed in connection with a performance, an entertainment, an athletic event, a speech, or the creation of a film, radio, or television program and you do not withhold State income tax from such non-wage compensation paid to the following entities, you must obtain and retain certain documents.

1. A nonresident organization exempt from North Carolina tax under G.S. 105-130.11. Obtain documentation of the organization’s exemption from North Carolina tax, such as a copy of the organization’s federal determination letter of tax exemption or a copy of a letter of tax exemption from the Department of Revenue.

2. A nonresident corporation or a nonresident limited liability company that has obtained a certificate of authority from the North Carolina Secretary of State. Obtain the company’s North Carolina identification number issued by the North Carolina Secretary of State.

3. A resident individual of North Carolina. Obtain the individual's address and social security number.

4. A partnership that has a permanent place of business in North Carolina. Obtain the partnership's address and taxpayer identification number. You must retain this information with your records.

A pension payer required to withhold federal tax under Section 3405 of the IRC on a pension payment to a North Carolina resident must also withhold State income tax from the pension payment. Certain retirement benefits may be exempt from State income tax withholding. For additional details, see Publication NC-30, Income Tax Withholding Tables and Instructions for Employers.

Information included in this section is a brief summary of State income tax withholding requirements, for additional details see Publication NC-30, Income Tax Withholding Tables and Instructions for Employers. For additional details about ITIN, see IRS website. An ITIN is issued by the IRS to a person who is required to have a taxpayer identification number but does not have and is not eligible to obtain a social security number.
6.2: FILING REQUIREMENTS

Each new employer who is required to withhold State income tax must obtain a North Carolina withholding identification number from the Department by filing Form NC-BR, Business Registration Application for Income Tax Withholding, Sales and Use Tax, and Other Taxes and Service Charge. The withholding identification number will be used on all reports and correspondence concerning withholding taxes. Amounts withheld are considered held in trust until paid to the Department. Due dates for reporting and paying the tax depends on the amount of tax withheld each month. Employers withholding less than $250 per month report and pay the tax quarterly. Employers who average withholding of at least $250 but less than $2,000 per month report and pay monthly. Employers who average withholding of $2,000 or more per month make payments on the dates federal deposits are required and file quarterly reports. Your initial filing frequency is determined by your average monthly withholding as indicated on Form NC-BR. You must continue on that basis until the Department authorizes a change to a new filing frequency. You must continue on the same filing frequency until written authorization to change is received from the Department.

If you are required to withhold State income tax on non-wage compensation paid to a payee and you do not already have a withholding identification number, you must complete Form NC-BR. You will receive a letter from the Department, notifying you of your filing frequency. You must continue on that basis until the Department authorizes a change to a new filing frequency. If you are required to withhold State income tax on wages to employees and on compensation to payees, you may choose to report the withholding from compensation to payees separately from the withholding from wages. If you choose not to report the two types of withholding separately, the payment of tax withheld from compensation paid to a payee is due at the same time the withholding from wages is due. If you choose to report the withholding from compensation paid to payees separately, you must file Form NC-BR to receive a separate withholding identification number.

If you are required to withhold State income tax on a pension payment to a North Carolina resident and you do not already have a withholding identification number, you must complete Form NC-BR. You will receive a letter from the Department, notifying you of your filing frequency. You must continue on that basis until the Department authorizes a change to a new filing frequency. If you are required to withhold State income tax on wages to employees and on pension payments, you may choose to report the withholding from pension payments separately from the withholding from wages. If you choose not to report the two types of withholding separately, the payment of tax withheld from pension payments is due at the same time the withholding from wages is due. If you choose to report the withholding from pension payments separately, you must file Form NC-BR to receive a separate withholding identification number.

If you are required to withhold or you voluntarily withheld State income tax, you must file Form NC-3, Annual Withholding Reconciliation, and the State's copy of the required W-2 and 1099 statements with the Department on or before January 31 for the
preceding calendar year. Form NC-3 and the required W-2 and 1099 statements must be filed electronically via the Department’s eNC3 and Information Reporting Application.

For additional details on procedures for reporting and paying State income tax withholding, see Publication NC-30, Income Tax Withholding Tables and Instructions for Employers.

SECTION SEVEN:
FREQUENTLY ASKED QUESTIONS

7.1: FRANCHISE AND CORPORATE INCOME TAX

1. How does my nonprofit organization apply for (or obtain) tax-exempt status?

Send to the Department a copy of your Articles of Incorporation and Bylaws (if incorporated) or your Bylaws, Constitution, or other organizational documents (if not incorporated) and a copy of your Federal Determination Letter (if obtained). These documents should be sent to:

North Carolina Department of Revenue
Corporate Tax Division
Nonprofit Corporate Tax
Post Office Box 871
Raleigh, NC 27602-0871

2. What does the Department look for in determining the tax status?

The Department reviews the purpose of the organization (how it is operating and what it is doing), where the money is coming from or how it is being used (net earnings provision), and how money will be distributed when the organization dissolves (dissolution provision).

3. Does the Department assign a tax-exempt number?

No. The Department does not issue tax-exempt numbers. Upon receipt and review of the nonprofit organization's Articles of Incorporation and Bylaws, the Department will issue a letter indicating the organization's tax status in North Carolina ("tax-exempt letter").
4. My nonprofit organization received a tax-exempt letter several years ago from the Department. Can I get a copy of my tax-exempt letter?

Yes. If an organization received a tax-exempt letter from the Department, a copy of the tax-exempt letter can be obtained from the Department. The organization must submit a written request for a copy of the letter to:

North Carolina Department of Revenue
Corporate Tax Division
Nonprofit Corporate Tax
Post Office Box 871
Raleigh, NC 27602-0871

5. My nonprofit corporation has been suspended. How do I get it reinstated?

Generally, a nonprofit corporation is suspended by the Department for one of the following reasons:

i. Failure to file a copy of Articles of Incorporation and Bylaws
ii. Failure to file additional requested information
iii. Failure to file a copy of the Federal Determination Letter
iv. Failure to file a tax return to report unrelated income

If a nonprofit corporation has been suspended for one of the reasons listed above, the corporation must provide the information requested and pay a $25.00 reinstatement fee to have its suspension lifted. If the corporation does not qualify for tax exempt status, all delinquent franchise and corporate income tax returns must be filed and any tax, penalties, and interest must be paid before the reinstatement can occur.

6. What do I need to conduct a raffle or bingo?

For a nonprofit organization to conduct bingo games, it must apply for a license through the Department of Public Safety. In order to obtain a license, the organization must be tax-exempt and submit a copy of its tax-exempt letter from the IRS and from the North Carolina Department of Revenue. There is no formal registration required for a nonprofit organization to conduct a raffle. However, the nonprofit organization must have obtained a tax-exempt letter from the North Carolina Department of Revenue and must display it where the raffle is conducted.

7. Do I need a Federal Determination Letter stating that my organization is tax-exempt in order to be exempt for North Carolina tax purposes?

No. However, North Carolina follows the IRC and if you are tax-exempt for federal income tax purposes, your organization would qualify for exemption with North Carolina. You can apply for the federal tax exemption and North Carolina tax exemption simultaneously.
8. **What happens if the Department issues a tax-exempt letter and later the IRS denies the organization's request for federal tax exemption?**

The Department would consider the organization's North Carolina tax exemption revoked and require them to file tax returns as if the organization had been a taxable entity from the date of incorporation.

9. **Do property owners’ associations qualify for exemption from franchise and corporate income tax?**

Under G.S. 105-125(a)(8) and G.S. 105-130.11(a)(11), the exemption for homeowners’ or property owners’ associations is restricted to residential property only. Associations made up of commercial property (ex. office parks or shopping centers) do not qualify for exemption.

10. **My tax-exempt organization is required to file a North Carolina Franchise and Corporate Income Tax Return (Form CD-405) to report unrelated business income. Is my organization required to complete the franchise tax schedules and submit franchise tax with the return?**

No. Except as otherwise provided by North Carolina Revenue Law, an organization that is qualified for exemption from federal income tax under the Code is exempt from the franchise taxes imposed under Article 3 of the North Carolina Revenue Law. [G.S. 105-125(a)(9)].

11. **A nonprofit organization is a political organization as described in Section 527(f)(3) of the Code. The organization is required by the IRS to file federal Form 1120-POL to report its taxable income. Are there any reporting or filing requirements in North Carolina for political organizations?**

Yes. A political organization is taxable at the corporate rate on net income not related to its exempt function pursuant to Section 527(c) of the Code. Therefore, a political organization which is required to file and report taxable income with the IRS on Form 1120-POL, is required to file a North Carolina Franchise and Corporate Income Tax Return (Form CD-405) and submit the income tax due on its taxable income. Tax returns for political organizations are due by the 15th day of the fourth month following the close of the income year.

12. **A nonprofit organization is organized and operates as a tax-exempt, nonprofit corporation. Are contributions made to the organization automatically tax deductible?**

No. The contribution must be made to a qualified organization determined to be tax exempt under Code § 501(c)(3) to be tax deductible. North Carolina Revenue Law provides that only charitable contributions as defined in Section 170(c) of the Code are allowed as a deduction. To become a qualified organization, most organizations, other than churches and governments, must apply to the Internal Revenue Service.
7.2: SALES AND USE TAX

1. Do nonprofit organizations have to pay sales or use tax on items they purchase for use?

Yes. North Carolina does not exempt nonprofit organizations from paying sales or use tax on items they purchase for use.

2. Are all nonprofit organizations eligible for refunds of the sales and use taxes paid?

No. G.S. 105-164.14(b) provides the nonprofit entities that may file for semiannual refunds of the sales and use taxes paid on purchases of items for use in carrying on their nonprofit work. At the time of this publication, those nonprofit entities include:

i. Hospitals not operated for profit, including hospitals and medical accommodations operated by an authority or other public hospital described in Article 2 of Chapter 131E of the General Statutes.

ii. An organization that is exempt from income tax under section 501(c)(3) of the Code, other than an organization that is properly classified in any of the following major group areas of the National Taxonomy of Exempt Entities:
   a. Community Improvement and Capacity Building.
   b. Public and Societal Benefit.
   c. Mutual and Membership Benefit.

iii. Volunteer fire departments and volunteer emergency medical services squads that are one or more of the following:
   a. Exempt from income tax under the Code.
   b. Financially accountable to a city as defined in G.S. 160A-1, a county, or a group of cities and counties.

iv. An organization that is a single member LLC that is disregarded for income tax purposes and satisfies all of the following conditions:
   a. The owner of the LLC is an organization that is exempt from income tax under section 501(c)(3) of the Code.
   b. The LLC is a nonprofit entity that would be eligible for an exemption under 501(c)(3) of the Code if it were not disregarded for income tax purposes.
   c. The LLC is not an organization that would be properly classified in any of the major group areas of the National Taxonomy of Exempt Entities listed in subdivision ii.

v. Qualified retirement facilities whose property is excluded from property tax under G.S. 105-278.6A.

vi. A university affiliated nonprofit organization that procures, designs, constructs, or provides facilities to, or for use by, a constituent institution of The University of North Carolina. For purposes of this section, a nonprofit organization includes an entity exempt from taxation as a disregarded entity of the nonprofit organization.
3. **What information does the Department of Revenue need to determine whether an organization qualifies for sales and use tax refunds?**

A nonprofit organization must furnish the Department of Revenue with a copy of its determination letter issued by the Internal Revenue Service (501(c)(3) letter). In some cases, the Department may request a copy of the organization’s Articles of Incorporation. If the organization is not incorporated, it should furnish a copy of its Bylaws, Constitution, or whatever documents were used to create the organization.

4. **An organization has a Section 501(c)(3) Federal exempt status. Does the organization automatically qualify to receive sales and use tax refunds?**

No, but most organizations that have Section 501(c)(3) exempt status do qualify for refunds.

5. **Can an organization file a claim for refund before the Department of Revenue determines that the organization qualifies to receive sales and use tax refunds?**

Yes. The organization may file a claim for refund before the Department makes a determination concerning the organization’s eligibility to receive sales and use tax refunds. To assist the Department in making the determination in a timely and efficient manner, a copy of the determination letter issued by the Internal Revenue Service and copies of the documents that were used to create the organization should be attached to the initial claim for refund.

6. **How does an organization file a claim for refund?**

The organization should complete [Form E-585, Nonprofit and Governmental Entity Claim for Refund State, County, and Transit Sales and Use Taxes](https://www.ncdor.gov/education-refund-claimants-e-585-example-nonprofit-entities). The form(s) should be mailed to:

North Carolina Department of Revenue  
Sales and Use Tax Division  
Nonprofit Sales and Use Tax  
Post Office Box 25000  
Raleigh, NC 27640-0001

7. **Who can offer assistance if I have trouble completing Form E-585?**

A completed sample form is available on our website at [https://www.ncdor.gov/education-refund-claimants-e-585-example-nonprofit-entities](https://www.ncdor.gov/education-refund-claimants-e-585-example-nonprofit-entities). You may also contact one of the Department’s [service centers](https://www.ncdor.gov/education-refund-claimants-e-585-example-nonprofit-entities) or call the Department’s Call Center at 1-877-252-3052. Any written correspondence should be mailed to the address in Question 6.
8. **How often do I file Form E-585?**

Claims for refund are filed semiannually. The claim for refund of the sales and use taxes paid during the period January 1 through June 30 is due to be filed by October 15 of the same year. The claim for refund for the period July 1 through December 31 is due to be filed by April 15 of the following year.

9. **What if the organization’s claim for refund is filed late?**

Claims for refund filed more than three years after the due date are barred by statute.

10. **Should the receipts or invoices be mailed with the organization’s claim for refund?**

No. However, receipts and invoices should be kept for a period of three years beyond the date the refund claim is due to be filed or three years beyond the date the claim is filed, whichever is later.

11. **What taxes should not be included on a claim for refund?**

Tax paid on any of the following items are nonrefundable: electricity, piped natural gas, telecommunications and ancillary services, video programming, prepaid meal plans; the purchase, lease, rental, or subscription of motor vehicles; local occupancy or local prepared food and beverage taxes; scrap tire disposal or white goods disposal taxes; reimbursements for travel expenses; and alcoholic beverages.

12. **Is there a maximum refund amount allowed?**

Yes. The State sales and use tax aggregate annual refund amount for a fiscal year for a nonprofit entity must not exceed $31,700,000 (total for both six month periods). The food, county, and transit sales and use tax aggregate annual refund amount for a fiscal year for a nonprofit entity must not exceed $13,300,000 (total for both six month periods). Each cap applies separately.

13. **Does a nonprofit organization have to charge sales tax on the items it sells?**

Yes. The organization must charge sales and use tax unless the sales are specifically exempt by North Carolina statutes (see response to number 15). If the organization is liable for collecting sales and use tax, the organization must register with the Department of Revenue for sales and use tax purposes.

14. **How does an organization register with the Department of Revenue?**

The organization must obtain a Certificate of Registration by registering online through the [Online Business Registration Portal](#) or by submitting Form NC-BR, Business Registration Application for Income Tax Withholding, Sales and Use Tax, and Other Taxes and Service Charge, to the Department. There is no fee for the Certificate.
15. Are there any situations in which a nonprofit organization will be exempt from collecting sales tax?

Some examples of situations where a nonprofit organization will be exempt from collecting sales and use tax are:

i. Sales of food and prepared food by a church or religious organization not operated for profit when the proceeds of the sale are actually used for religious activities. All other sales of tangible personal property by a church or religious organization not operated for profit are subject to sales and use tax. G.S. 105-164.13(31a)

ii. Sales by a nonprofit civic, charitable, educational, scientific, literary, or fraternal organization if its sales are conducted on an annual basis for the purpose of raising funds for its activities and the proceeds are actually used for such purposes. No sales are exempt, however, if the sales are not actually consummated within 60 days of the first solicitation. The exemption does not apply to gross receipts derived from an admission charge to an entertainment activity. G.S. 105-164.13(35)

iii. Food, prepared food, soft drinks, candy, and other tangible personal property sold not for profit or at an event that is sponsored by an elementary school or secondary school when the net proceeds of the sales will be given or contributed to the school or to a nonprofit charitable organization, one of whose purposes is to serve as a conduit through which the net proceeds will flow to the school. For purposes of this exemption, the term “school” is an entity regulated under Chapter 115C of the General Statutes. G.S. 105-164.13(26b)

16. When can an organization registered for sales and use tax purposes issue Form E-595E, Streamlined Sales and Use Tax Agreement Certificate of Exemption?

If an organization is registered with the Department, the organization should execute Form E-595E, Streamlined Sales and Use Tax Agreement Certificate of Exemption, only when purchasing items for resale. The organization will not pay sales and use tax on the items purchased for resale but must collect and remit the applicable rates of sales and use tax on the sales price of the items sold at retail by the organization unless the sales are specifically exempt by statute.

17. If an organization wants to purchase a personal computer to use, can it issue a Streamlined Sales Tax Agreement Certificate of Exemption when making the purchase?

No. The Streamlined Sales and Use Tax Agreement Certificate of Exemption should never be issued when purchasing items for use. The Certificate of Exemption is to be issued only when an organization is buying items for resale.
18. Who can I call if I have more questions concerning exemptions from sales tax?

You may contact one of the Department’s service centers or call the Department’s Call Center at 1-877-252-3052.

7.3: PROPERTY TAX

1. A nonprofit organization was recently qualified as tax-exempt by the Department of Revenue. Is the organization automatically exempt from property tax?

No. There are no automatic exemptions or exclusions from property tax. However, there are provisions within the North Carolina statutes that provide exemptions for certain real and personal property held by nonprofit religious, educational, charitable and scientific organizations. The property must be used for the purposes listed in the statute in order to be exempt from the tax.

2. How does a nonprofit institution or organization claim exemption (exclusion) from property tax for property it owns?

Under G.S. 105-282.1, nearly every owner of property claiming an exemption or exclusion from property tax must file an application for the exemption or exclusion during the listing period. The listing period is the month of January unless the County Assessor has granted the owner an extension to file the personal property return, in which case the listing period is also extended for the same period. A request for extension to list must be made during the month of January. If the property is appraised by the Department of Revenue, the application should be filed with the Department. Otherwise, the application should be filed with the assessor of the county in which the property is located.

3. How often does a nonprofit institution or organization need to file the application for the exemption or exclusion from property tax?

Under G.S. 105-282.1, the application must be filed annually, unless one of the following exceptions applies:

   a) the organization has been approved for an exemption or exclusion for one of the programs listed in G.S. 105-282.1(a)(2); or
   b) the property is of a type listed in G.S. 105-282.1(a)(1), in which case no application is required.

Even if one of the above exceptions applies, an application will still be required if:

   a) improvements are added or removed, necessitating a change in the valuation of the property; or
   b) there is a change in the use of the property.
4. A nonprofit institution or organization owns rental property. Is the property subject to property tax?

Yes. Under G.S. 105-278.3 through G.S. 105-278.8, the property must either be wholly and exclusively used by its owner for the statutorily-approved use, or gratuitously occupied by another and wholly and exclusively used by the occupant for religious, charitable, or nonprofit educational, literary, scientific, or cultural purposes.

5. A nonprofit organization has just bought a vacant piece of land which it will not use now, but will build a meeting lodge on later. Is the land exempt from property tax?

No. In order for the property to be exempt, it has to be in use by the organization or used gratuitously by another qualifying organization. Many exclusion programs also require that a building be situated upon the land before the land itself can qualify.

6. Who can I call if I have more questions concerning exemptions from property tax?

You may contact the County Assessor's Office in the county where the property is located, or you may call (919) 814-1129 or send any correspondence to:

North Carolina Department of Revenue
Local Government Division
Post Office Box 871
Raleigh, NC 27602-0871

7.4: MOTOR FUELS TAX

1. A nonprofit corporation has received an exempt status for franchise and income tax purposes from the Department of Revenue. Does the corporation automatically qualify to receive a refund of road tax due on motor fuels under G.S. 105-449.106?

No. The fact that an organization may be organized and operated as a nonprofit entity does not automatically qualify the organization for a refund. The nonprofit entity must meet one of the following criteria listed under G.S. 105-449.106(a):

i. A private, nonprofit organization that transports passengers under contract with or at the express designation of a unit of local government.

ii. A volunteer fire department.

iii. A volunteer rescue squad.

iv. A sheltered workshop recognized by the Department of Health and Human Services.
For example, under the provisions of G.S. 105-449.106(a)(2) if a private, nonprofit organization transports passengers but does not have an agreement with a unit of local government to transport passengers, the organization is not eligible to file a refund claim for motor fuel taxes.

2. **How does an organization file a claim for refund?**

The organization should complete a Form GAS-1200, Motor Fuels Claim for Refund Nonprofit Organizations, and mail it to:

North Carolina Department of Revenue  
Excise Tax Division  
3301 Terminal Drive, Suite 125  
Raleigh, NC 27604-3896

3. **Should the receipts or invoices be mailed in with the organization’s claim for refund?**

Yes. The Excise Tax Division requires copies of the receipts or invoices of fuel purchased to be mailed with the organization’s initial application for refund.

4. **How often do I file Form GAS-1200?**

Applications for refunds are filed quarterly. An application for a quarterly refund of excise tax is due by the last day of the month following the end of the calendar quarter for which the refund is claimed. The claim for refund of excise taxes paid during the first quarter (January 1 through March 31) is due to be filed by April 30. The claim for refund for the second quarter (April 1 through June 30) is due to be filed by July 31. The claim for refund for the third quarter (July 1 through September 30) is due to be filed by October 31. The claim for refund for the last quarter (October 1 through December 31) is due to be filed by January 31 of the following year.

5. **What if the organization’s claim for refund is filed late?**

An application for refund filed more than three years after the date the application is due is barred by statute under G.S. 105-449.108

6. **Who can offer assistance if I have trouble completing Form GAS-1200?**

You may contact the Excise Tax Division at the toll-free number (877) 308-9092. Any written correspondence should be mailed to:

North Carolina Department of Revenue  
Excise Tax Division  
3301 Terminal Drive, Suite 125  
Raleigh, NC 27604-3896
7.5: WITHHOLDING TAX

1. **How do I determine the amount of income tax to withhold from an employee?**

The amount of income tax required to be withheld is based on the employee's filing status, the payroll period; i.e., weekly, biweekly, monthly, etc., the employee's gross wages for the period, and the number of withholding allowances claimed by the employee on Form NC-4, Form NC-4EZ, or Form NC-4 NRA. The withholding tables containing this information are in Publication NC-30. The tax withheld can also be computed by using the percentage method or annualized method shown in Publication NC-30.

2. **How do I file and pay my withholding taxes??**

You can file your North Carolina withholding return and pay the tax online by visiting the Department’s website at www.ncdor.gov and selecting eServices under the File & Pay tab. If you would like to file and pay your withholding tax by mail, you may call the Department at 1-877-252-3052 (toll free) and request a coupon booklet with the preaddressed forms which will be mailed to you.

3. **What is the penalty for not filing a withholding return on time or for failure to withhold or pay the tax when due?**

The penalty for failure to file a withholding return is 5 percent of the tax due per month (maximum 25 percent). A penalty for failure to withhold or pay the tax when due is also required at the applicable rate. From January 1, 2022, through June 30, 2022, the applicable rate is 10 percent of the tax due, regardless of how late the tax is paid. Beginning July 1, 2022, the applicable rate is 2 percent of the tax due per month (maximum 10 percent). Interest is due from the time the tax was due until paid.

4. **What is the penalty for not filing Annual Withholding Reconciliation, Form NC-3, and the required W-2 and 1099 statements in the format prescribed by the Secretary?**

If you fail to file Form NC-3 in the format prescribed by the Secretary, you will be subject to a penalty of $200. Form NC-3 must be filed, with the required W-2 and 1099 statements, in an electronic format using the Department’s eNC3 and Information Reporting Application.

5. **What is the penalty for not filing Annual Withholding Reconciliation, Form NC-3, by the due date of the return?**

If you fail to file Form NC-3 by the due date of the return, you will be subject to a failure to timely file an informational return penalty of $50 per day, up to a maximum of $1,000.
6. Is tax required to be withheld from a nonresident tax-exempt corporation?

No. However, if tax is not withheld, you must obtain and keep on record documentation of the corporation’s exemption from tax, such as a copy of the organization’s federal determination letter of tax exemption or a copy of a letter of tax exemption from the Department of Revenue.

7. Should I file a withholding return if I temporarily cease to pay wages?

You should continue to file a return based on your regular filing frequency even though you have no withholding or wages to report. The return should reflect zeros for the reporting period.

8. What procedures should I follow if I go out of business or cease to pay wages permanently?

If you go out of business or cease to pay wages permanently, complete the “Out of Business Notification” and include it with the final report. You can also let us know that you are out of business by calling 1-877-252-3052 (toll free) and selecting Business Taxes. If you terminate your business, Annual Withholding Reconciliation, Form NC-3, and the required W-2 and 1099 statements must be filed on or before the last day of the month following the end of the calendar quarter in which you closed your business.

9. Is tax required to be withheld from compensation paid to an ITIN contractor performing agricultural labor under an H-2A visa?

No. Withholding is not required on compensation paid to an ITIN contractor who is temporarily admitted to the United States to perform agricultural labor or services under an H-2A visa and who is not subject to federal income tax withholding under section 1441 of the Internal Revenue Code.
NORTH CAROLINA STATE GOVERNMENT

Department of Revenue
Post Office 25000
Raleigh, North Carolina 27640-0001

Corporate Tax Exempt Status Issues: For assistance, call (877) 252-3052 (Ext. 1120322)
Corporate Tax Questions: For assistance, call (877) 252-3052 (Ext. 1120322)
Sales Tax Questions: For assistance, call (877) 252-3052
Withholding Questions: For assistance, call (877) 252-3052

Department of Revenue
Excise Tax Division
Post Office Box 25000
Raleigh, NC 27640-0001
(919) 707-7500

Department of Revenue
Local Government Division
Post Office Box 871
501 North Wilmington Street
Raleigh, North Carolina 27602-0001
(919) 814-1129

Department of Secretary Of State
Corporations Division
Post Office Box 29622
Raleigh, North Carolina 27626-0622
(919) 807-2225

Department of Public Safety
Alcohol Law Enforcement
4201 Mail Service Center
Raleigh, North Carolina 27699-4201
(919) 733-4060
Federal Government

Internal Revenue Service Forms and Tax Information:

(800) 829-3676

General Tax Information:

(800) 829-1040

Information for Nonprofits:

(877) 829-5500

Requests for Determination of Status as an Exempt Organization (Forms 1023, 1024, 1028, and 8734) and User Fee for Exempt Organization Determination Letter Request (Form 8718) should be mailed to:

Internal Revenue Service
Post Office Box 12192
Covington, Kentucky 41012-0192

Exempt Organization Letter Rulings should be mailed to:

Internal Revenue Service
Attention: EO Letter Rulings
P.O. Box 27720, McPherson Station
Washington, DC 20038

Note. Letter Ruling requests, like applications for recognition of exemption, must be accompanied by the appropriate user fee.

To Inquire on the Status of Determination Letters:

(877) 829-5500