

17 NCAC 07B .0104 REGISTRATION AND RETURNS

(a) Certificate of Registration:

- (1) Before a person engages in business as a retailer, wholesale merchant, or facilitator liable for sales or use tax, the person shall obtain a Certificate of Registration from the Department. A Certificate of Registration contains the sales and use tax account identification number (Account ID). There is no fee to obtain a Certificate of Registration.
- (2) A person engaged in business that does not pay the required North Carolina sales or use tax on an item, as the term item is defined in G.S. 105-164.3, to a seller or facilitator at the time of purchase shall pay use tax in accordance with G.S. 105-164.6 on the purchase price of the item. A person required to pay use tax on its purchases shall register with the Department to obtain a Certificate of Registration.
- (3) A person may apply for a Certificate of Registration by:
 - (A) Registering through the Department's website at www.ncdor.gov;
 - (B) Register online through the Streamlined Sales Tax Registration System (SSTRS) at <https://www.streamlinedsalestax.org>; or
 - (C) Calling the Department at telephone number 1-877-252-3052 to request a registration form, and submitting the completed registration by mail to the Department's mailing address set out in 17 NCAC 01A .0101.
- (4) Information needed to obtain a Certificate of Registration includes the following:
 - (A) Ownership information, including North Carolina Secretary of State's business identification number, if applicable.
 - (B) Federal Employer Identification Number (FEIN) or Social Security Number for proprietorships.
 - (C) Legal business name, owner's name, physical and mailing address of the business, all trade names, and daytime telephone number.
 - (D) Responsible person demographics, if applicable, including name, title, Social Security Number, and home address.
 - (E) Date when sales or purchases will begin.
 - (F) Whether sales will be retail, wholesale, or both.
 - (G) Description of business.
 - (H) The types of items and services that will be sold by the business.
 - (I) Estimate of monthly sales tax.
 - (J) Type of accounting method that will be used whether cash or accrual.
 - (K) Months sales will be made, if seasonal.

(b) Returns:

- (1) Returns General. -- G.S. 105-164.16 establishes the filing frequency and the content of sales and use tax returns. All sales and use tax returns may be obtained from the Department's website at www.ncdor.gov or by calling the Department at telephone number 1-877-252-3052, and shall contain the information required by 17 NCAC 01C .0622.
 - (2) Schedules. -- A person who files a paper sales and use tax return, that is liable for local county tax sourced to a taxing jurisdiction in this State other than the county where the business is located or in more than one county, shall attach Form E-536, Schedule of County Sales and Use Taxes, to the return listing the amount of tax due for each taxing jurisdiction.
- (c) No Sales or Purchases By Business. -- A person required to file a sales and use tax return that has no sales or purchases during a reporting period shall file a return for that period and enter zero (0.00) as the total tax due on the return.
- (d) Seasonal Business. -- A person that engages in business for six or fewer consecutive months in each year may register with the Department as a seasonal filer and indicate the months in which the person engages in business. A person that is registered as a seasonal filer is not required to file a return for an off-season reporting period in which the retailer did not engage in business.
- (e) Wholesale Merchant. -- A person who engages exclusively in the business of making wholesale sales shall register with the Department, but is not required to file a return. A wholesale merchant that makes taxable sales or that makes purchases on which it owes use tax is not engaged exclusively in the business of making wholesale sales and shall file sales and use tax returns and pay the tax due.
- (f) Use Tax:

- (1) General. -- A business or individual that purchases an item sourced to this State, other than a boat or aircraft, shall accrue and remit the use tax due on the purchase price of the item in accordance with G.S. 105-164.6 when retailers, remote sellers, or facilitators do not collect the applicable tax on taxable transactions.
- (2) Business Use Tax. -- A business shall report and remit use tax on a sales and use tax return.
- (3) Individual Use Tax. An individual required to file a North Carolina individual income tax return, shall report the use tax liability of taxable items, other than a boat, an aircraft, and food subject to the two percent rate of tax, on the individual's income tax return. An individual not required to file a North Carolina individual income tax return shall report the use tax liability on taxable items, other than a boat or aircraft, on Form E-554, Consumer Use Tax Return. Form E-554 is due annually by the date set in G.S. 105-164.16.
- (4) Form E-554 shall include the following information:
 - (A) name of filer, spouse's name, if applicable, address, and phone number;
 - (B) Social Security Number of filer, and Social Security Number of filer's spouse, if applicable;
 - (C) beginning and ending dates for the period the return is filed;
 - (D) total amount of purchases subject to use tax at each applicable tax rate, including purchases of food subject to the two percent food rate;
 - (E) total tax at each applicable tax rate;
 - (F) any credit for sales and use tax paid to another state;
 - (G) tax due before any penalty and interest;
 - (H) any penalty or interest due;
 - (I) total tax due; and
 - (J) signature, title, contact telephone number of filer, and date return is signed.
- (5) Any individual who purchases food subject to the two percent food rate of sales and use tax shall report the tax on Form E-554, Consumer Use Tax Return.
- (6) Any individual who purchases a boat or aircraft shall report the tax on Form E-555, Boat and Aircraft Use Tax Return.
- (7) Form E-555 shall include the following information:
 - (A) name of filer, address, and telephone number;
 - (B) Social Security Number or Federal Employer Identification Number (FEIN) of filer;
 - (C) beginning and ending dates for the period the return is filed;
 - (D) boat registration or document number and total amount of purchase, if applicable;
 - (E) aircraft serial number and total amount of purchase, if applicable;
 - (F) total tax at each applicable tax rate;
 - (G) any credit for sales and use tax paid to another state;
 - (H) tax due before any penalty and interest;
 - (I) any penalty or interest due;
 - (J) total tax due; and
 - (K) signature, title, contact telephone number of filer, and date return is signed.

History Note: Authority G.S. 105-164.3; 105-164.4; 105-164.4B; 105-164.6; 105-164.13B; 105-164.16; 105-164.29; 105-164.42C; 105-164.42K; 105-262; 105-264; 105-467; 105-468; 105-469; 105-483; 105-498; 105-507.2; 105-509.1; 105-510.1; 105-511.3; 105-537; 105-538; Eff. February 1, 1976; Amended Eff. April 1, 2006; August 1, 2002; July 1, 2000; July 1, 1999; August 1, 1998; October 1, 1993; October 1, 1991; October 1, 1990; April 1, 1986; Readopted Eff. January 1, 2024.