

17 NCAC 07B .1907 SCRAP TIRE DISPOSAL TAX

(a) The scrap tire disposal tax established in G.S. 105-187.16 applies to the sale or purchase of new tires including new tires for motor vehicles, aircraft, construction equipment, maintenance and industrial equipment, and implements of husbandry, farm tractors, special mobile equipment as defined in G.S. 105-164.3, or vehicles designed primarily for use in non-highway work.

(b) Lessors of vehicles shall pay the scrap tire disposal tax to the retailer or wholesale merchant when they purchase a new tire.

(c) Lessors of tires shall pay the scrap tire disposal tax to the retailer or wholesale merchant when they purchase a new tire. The receipts from the lease or rental of tires are not subject to the scrap tire disposal tax but are subject to the sales or use tax, pursuant to G.S. 105-164.4.

(d) The scrap tire disposal tax applies to purchases of new tires from inside or outside of North Carolina for storage, use or consumption in North Carolina, including for placement on a vehicle offered for sale, lease or rental in this State.

(e) Tire retailers shall separately state and charge the scrap tire disposal tax on the invoice or similar billing document given to purchasers at the time of sale except where the retailer displays a statement indicating the sales price includes the scrap tire disposal tax.

(f) The sales price on which the scrap tire disposal tax is computed includes the federal excise tax on new tires. The sales price on which the scrap tire disposal tax is computed does not include the sales and use tax due on the sale. The sales price on which the sales and use tax is computed does not include the scrap tire disposal tax due on the sale.

(g) Persons required to collect and remit the scrap tire disposal tax shall register with the Department in accordance with 17 NCAC 07B .0104. The scrap tire disposal tax shall be paid and reported on Form E-500G, Scrap Tire Disposal Tax Return, which shall contain the following information:

- (1) name and address of entity filing return;
- (2) beginning and ending dates of return period;
- (3) account number;
- (4) amount of gross receipts;
- (5) amount of sales for resale;
- (6) amount of exempt sales by type;
- (7) total exempt sales;
- (8) total taxable sales;
- (9) amount of receipts or purchases for tires with a bead diameter of less than 20 inches;
- (10) amount of tax due for receipts or purchases for tires with a bead diameter of less than 20 inches;
- (11) amount of receipts or purchases for tires with a bead diameter of at least 20 inches;
- (12) amount of tax due for receipts or purchases for tires with a bead diameter of at least 20 inches;
- (13) amount of total tax for all tires;
- (14) amount of total tax due; and
- (15) signature of person authorized to legally bind entity and date form signed.

History Note: Authority G.S. 105-164.3; 105-164.29; 105-187.15; 105-187.16; 105-187.17; 105-262; 105-264; Eff. October 1, 1991; Amended Eff. October 1, 1993; June 1, 1992; Readopted Eff. January 1, 2024.