

**17 NCAC 07B .2207      FOOD SERVICE SUPPLIES**

Paper doilies, paper place mats, paper coasters, paper napkins, drinking straws and similar disposable items which become a part of the sale or service of food and are expended by customers in consuming their meals are exempt from sales or use tax when sold to school lunchrooms, restaurants, cafes, cafeterias and other such places of business selling and serving prepared meals and foods. Sales of plastic or cloth place mats, cork, plastic or china coasters, china, silverware, cloth napkins, tablecloths or other reusable items to restaurants, cafes, cafeterias and other similar places of business for use in serving meals and not for resale are subject to the applicable statutory state and local sales or use tax. Sales of patty paper and paper containers to restaurants for use in storing food are subject to the applicable statutory state and local sales or use tax.

*History Note:      Authority G.S. 105-164.4; 105-164.5; 105-262; Article 39; Article 40; Article 42; Article 43; Article 44; Article 46;  
Eff. February 1, 1976;  
Amended Eff. May 1, 2009; October 1, 1993; October 1, 1991; July 5, 1980;  
Pursuant to G.S. 150B-21.3A, rule is necessary without substantive public interest Eff. May 25, 2019.*