

SECTION .4400 - LEASE OR RENTAL

17 NCAC 07B .4401 LEASE RECEIPTS

- (a) Rate of Tax. – Pursuant to G.S. 105-164.4, the gross receipts derived from the lease or rental of tangible personal property are subject to the sales or use tax at the same rates, including any maximum tax, that apply to the retail sale of such property. The maximum tax, if applicable, shall be determined for each lease or rental of tangible personal property, not on the aggregate tax for all leases or rentals of the leased tangible personal property.
- (b) Computation of Tax. -- A person shall compute and pay tax on the gross receipts without any deduction.
- (c) Due Date. -- The tax is due and payable at the time the lessor or retailer bills the lessee for rent whether such billing is for the lump sum rental or on a monthly or other periodic basis.
- (d) Sale of Leased Tangible Personal Property. -- A retailer who leases or rents tangible personal property shall also collect the tax on the separate retail sale of the tangible personal property.

History Note: Authority G.S. 105-164.4; 105-164.6; 105-262; 105-264;
Eff. February 1, 1976;
Readopted Eff. January 1, 2024.