



CHAPTER 105
ARTICLE 5 - SALES AND USE TAX

N.C.G.S. § 105-164.42E.

Agreement requirements.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT No amendment history on record	RETRIEVED 21 September 2026, 06:39 UTC	SOURCE FINGERPRINT 8f6b3335deb096bdc51cc300 - 024fb59b046091d036466753 - 2c5bfab51f2c5fe8
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The Secretary may not enter into the Agreement unless the Agreement requires each state to abide by the following requirements:

Uniform state rate. - The Agreement must set restrictions to achieve more uniform state rates through the following:

- a.Limiting the number of state rates.
- b.Limiting maximums on the amount of state tax that is due on a transaction.
- c.Limiting thresholds on the application of a state tax.

Uniform standards. - The Agreement must establish uniform standards for all of the following:

- a.The sourcing of transactions to taxing jurisdictions.
- b.The administration of exempt sales.
- c.The allowances a seller can take for bad debts.
- d.Sales and use tax returns and remittances.

Uniform definitions. - The Agreement must require states to develop and adopt uniform definitions of sales and use tax terms. The definitions must enable a state to preserve its ability to make policy choices not inconsistent with the uniform definitions.

Central registration. - The Agreement must provide a central, electronic registration system that allows a seller to register to collect and remit sales and use taxes for all signatory states.

No nexus attribution. - The Agreement must provide that registration with the central registration system and the collection of sales and use taxes in the signatory states will not be used as a factor in determining whether the seller has nexus with a state for any tax.

Local sales and use taxes. - The Agreement must provide for reduction of the burdens of complying with local sales and use taxes through one or more of the following:

a.Restricting variances between the state and local tax bases.

b.Requiring states to administer any sales and use taxes levied by local jurisdictions within the state so that sellers collecting and remitting these taxes will not have to register or file returns with, remit funds to, or be subject to independent audits from local taxing jurisdictions.

c.Restricting the frequency of changes in the local sales and use tax rates and setting effective dates for the application of local jurisdictional boundary changes to local sales and use taxes.

d.Providing notice of changes in local sales and use tax rates and of changes in the boundaries of local taxing jurisdictions.

Monetary allowances. - The Agreement must outline any monetary allowances that are to be provided by the states to sellers or certified service providers.

State compliance. - The Agreement must require each state to certify compliance with the terms of the Agreement before becoming a member and to maintain compliance, under the laws of the member state, with all provisions of the Agreement while a member.

Consumer privacy. - The Agreement must require each state to adopt a uniform policy for certified service providers that protects the privacy of consumers and maintains the confidentiality of tax information. (2001-347, s. 1.3; 2005-276, s. 33.31.)

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS III

Citation

FULL SECTION

N.C. Gen. Stat. § 105-164.42E (2026).

Pinpoint keys are set in the left margin of the text rather than line numbers: subsection designators are stable across editions and paper sizes, line numbers are not.

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