



CHAPTER 105
ARTICLE 2 - PRIVILEGE TAXES

N.C.G.S. § 105-88.

Loan agencies.

SOURCE General Statutes of North Carolina, as published by the General Assembly	LAST AMENDMENT IN THIS TEXT S.L. 2023-134, s. 42.7(c) — fourteenth act in the lineage	RETRIEVED 21 September 2026, 07:01 UTC	SOURCE FINGERPRINT d6a8cec57caa12a9fa3453bd - d59b8d0b5273430d725b8cbb - 0287b90670da1007
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§ 105-88(a) Every person, firm, or corporation engaged in any of the following businesses must pay for the privilege of engaging in that business an annual tax of two hundred fifty dollars (\$250.00) for each location at which the business is conducted:

- (1) The business of making loans or lending money, accepting liens on, or contracts of assignments of, salaries or wages, or any part thereof, or other security or evidence of debt for repayment of such loans in installment payment or otherwise.
- (2) The business of check cashing regulated under Article 22 of Chapter 53 of the General Statutes.
- (3) The business of pawnbroker regulated under Part 1 of Article 45 of Chapter 66 of the General Statutes.

§ 105-88(b) (Effective for taxes imposed for taxable years before July 1, 2024) This section does not apply to banks, industrial banks, trust companies, savings and loan associations, cooperative credit unions, the business of negotiating loans on real estate as described in G.S. 105-41, or insurance premium finance companies licensed under Article 35 of Chapter 58 of the General Statutes. This section applies to those persons or concerns operating what are commonly known as loan companies or finance companies and whose business is as hereinbefore described, and those persons, firms, or corporations pursuing the business of lending money and taking as security for the payment of the loan and interest an assignment of wages or an assignment of wages with power of attorney to collect the amount due, or other order or chattel mortgage or bill of sale upon household or kitchen furniture. No real estate mortgage broker is required to

obtain a privilege license under this section merely because the broker advances the broker's own funds and takes a security interest in real estate to secure the advances and when, at the time of the advance, the broker has already made arrangements with others for the sale or discount of the obligation at a later date and does so sell or discount the obligation within the period specified in the arrangement or extensions thereof; or when, at the time of the advance the broker intends to sell the obligation to others at a later date and does, within 12 months from date of initial advance, make arrangements with others for the sale of the obligation and does sell the obligation within the period specified in the arrangement or extensions thereof; or because the broker advances the broker's own funds in temporary financing directly involved in the production of permanent-type loans for sale to others; and no real estate mortgage broker whose mortgage lending operations are essentially as described above is required to obtain a privilege license under this section.

§ 105-88(b)

(Effective for taxes imposed for taxable years beginning on or after July 1, 2024)
This section does not apply to banks, industrial banks, trust companies, savings and loan associations, cooperative credit unions, the business of negotiating loans on real estate, or insurance premium finance companies licensed under Article 35 of Chapter 58 of the General Statutes. This section applies to those persons or concerns operating what are commonly known as loan companies or finance companies and whose business is as hereinbefore described, and those persons, firms, or corporations pursuing the business of lending money and taking as security for the payment of the loan and interest an assignment of wages or an assignment of wages with power of attorney to collect the amount due, or other order or chattel mortgage or bill of sale upon household or kitchen furniture. No real estate mortgage broker is required to obtain a privilege license under this section merely because the broker advances the broker's own funds and takes a security interest in real estate to secure the advances and when, at the time of the advance, the broker has already made arrangements with others for the sale or discount of the obligation at a later date and does so sell or discount the obligation within the period specified in the arrangement or extensions thereof; or when, at the time of the advance the broker intends to sell the obligation to others at a later date and does, within 12 months from date of initial advance, make arrangements with others for the sale of the obligation and does sell the obligation within the period specified in the arrangement or extensions thereof; or because the broker advances the broker's own funds in temporary financing directly involved in the production of permanent-type loans for sale to others; and no real estate mortgage broker whose mortgage lending operations are essentially as described above is required to obtain a privilege license under this section.

- § 105-88(c)

At the time of making any such loan, the person, or officer of the firm or corporation making the loan, shall give to the borrower in writing in convenient form a statement showing the amount received by the borrower, the amount to be paid back by the borrower, the time in which the amount is to be paid, and the rate of interest and discount agreed upon.
- § 105-88(d)

A loan made by a person who does not comply with this section is not collectible at law under G.S. 105-269.13.
- § 105-88(e)

Repealed by Session Laws 2014-3, s. 12.3(b), effective July 1, 2015. See note for applicability.

END OF SECTION TEXT

APPARATUS FOLLOWS — DERIVED, NOT ENACTED

APPARATUS I
14 ACTS

Amendment lineage

The State prints this history as a single parenthetical at the foot of the section. It is reproduced verbatim in the colophon and unpacked below in order of enactment.

193919812023

TICK HEIGHT = ACTS IN THAT YEAR DASHED = RECODIFICATION, NOT AMENDMENT

Nº	YEAR	ACT	CHARACTER
01	1939	c. 158, s. 152	ENACTED
02	1967	c. 1080	AMENDED
03	1967	c. 1232, s. 2	AMENDED
04	1973	c. 476, s. 193	AMENDED
05	1991	c. 45, s. 4	AMENDED
06	1993	c. 539, s. 695	AMENDED
07	1994	Ex. Sess., c. 24, s. 14(c)	AMENDED
08	1998	S.L. 1998-98, s. 1(g)	AMENDED
09	1999	S.L. 1999-438, s. 2	AMENDED
10	2000	S.L. 2000-120, s. 3	AMENDED
11	2000	S.L. 2000-173, s. 2	AMENDED

12	2012	S.L. 2012-46, s. 25	AMENDED
13	2014	S.L. 2014-3, s. 12.3(b)	AMENDED
14	2023	S.L. 2023-134, s. 42.7(c)	AMENDED

APPARATUS II
2 AUTHORITIES

Authorities referenced

Every G.S. cross-reference appearing in the text of this section, in order of first appearance. Nothing is characterized; the operative language is quoted from the section itself.

REFERENCE	APPEARS IN	OPERATIVE LANGUAGE IN THIS SECTION
G.S. 105-41	(b)	<i>"on real estate as described in"</i>
G.S. 105-269.13	(d)	<i>"is not collectible at law under"</i>

APPARATUS III

Citation

FULL SECTION
N.C. Gen. Stat. § 105-88 (2023).

PINPOINT
N.C. Gen. Stat. § 105-88(a) (2023).

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.

COLOPHON

Provenance

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HISTORY PARENTHETICAL, AS PRINTED BY THE STATE

(1939, c. 158, s. 152; 1967, c. 1080; c. 1232, s. 2; 1973, c. 476, s. 193; 1991, c. 45, s. 4; 1993, c. 539, s. 695; 1994, Ex. Sess., c. 24, s. 14(c); 1998-98, s. 1(g); 1999-438, s. 2; 2000-120, s. 3; 2000-173, s. 2; 2012-46, s. 25; 2014-3, s. 12.3(b); 2023-134, s. 42.7(c).)

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