

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2003**

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**SENATE DRS15222-LC-162 (11/19)**

Short Title: Exempt Bakery Items From Sales Tax. (Public)

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Sponsors: Senator Kinnaird.

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO EXEMPT PREPARED BAKERY ITEMS FROM STATE SALES TAX  
WHEN SOLD WITHOUT EATING UTENSILS.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-164.13B reads as rewritten:

**"§ 105-164.13B. Food exempt from tax.**

(a) State Exemption. – Food is exempt from the taxes imposed by this Article unless the food is included in one of the subdivisions in this subsection. The following food items are subject to tax:

(1) Alcoholic beverages, as defined in G.S. 105-113.68.

(2) Dietary supplements.

(3) Food sold through a vending machine.

(4) Prepared food.

(5) Soft drinks.

(6) (Repealed effective January 1, 2004) Candy, unless the item is purchased for home consumption and would be exempt if purchased under the Federal Food Stamp Program, 7 U.S.C. § 51.

(b) Administration of Local Food Tax. – The Secretary must administer local sales and use taxes imposed on food as if they were imposed under this Article. This applies to local taxes on food imposed under Subchapter VIII of this Chapter and under Chapter 1096 of the 1967 Session Laws.

(c) Bakery Items Exempt. – Notwithstanding subdivision (a)(4) of this section, bakery items sold without eating utensils provided by the retailer are exempt from the taxes imposed by this Article."

**SECTION 2.** This act becomes effective January 1, 2005, and applies to sales made on or after that date.