

General Instructions

- Use blue or black ink to complete this claim for refund. An Account ID is required to process the claim. **If your organization's address has changed since your last refund was requested, complete Form NC-AC, Business Address Correction, found on the Department's website at www.dor.state.nc.us and mail to the address shown.**
- This claim for refund is to be filed by the following entities as specified:
 - **Nonprofit entities as defined in G.S. 105-164.14(b):**
Claims for refund of taxes paid during the first six months of the calendar year are due to be filed by October 15 of that year. Claims for refund of taxes paid during the last six months of the calendar year are due to be filed by April 15 of the following year. Refund claims filed more than 3 years after the due date cannot be accepted.
 - **Governmental entities as defined in G.S. 105-164.14(c):**
Claims for refund are due on a fiscal year basis within six months of the close of the fiscal year of the claimant. Refund claims filed more than 3 years after the due date cannot be accepted.
- The State general sales and use tax rate is 4.5%. The county sales and use tax rate is 2.5% in all counties. Mecklenburg County has an additional .5% local sales and use tax for public transportation.
- Records must be maintained on a **county by county** basis to identify the following:
 - Purchases of tangible personal property
 - County tax paid directly to retailers on purchases for use as shown on sales receipts and invoices
 - County tax paid indirectly on building materials and supplies as shown on contractors' statements
 - County tax paid directly to the Department of Revenue
- Records must be maintained for direct purchases and contractor purchases as specified:
 - **Direct Purchases** - Adequate documentation for tax paid directly to the vendor is an invoice or copy of an invoice that sets out the item purchased, the date of the purchase, the cost of the item, and the amount of sales or use tax paid. Reimbursements to individuals or employees are not considered to be a direct purchase; therefore, the sales or use tax is not refundable.
 - **Contractor Purchases** - Adequate documentation for contractor purchases is a certified statement from the contractor or subcontractor that purchased the items. The statement must indicate the item purchased, the vendor from whom it was purchased, the invoice number of the purchase, the cost of the item, and the amount of sales and use tax paid. Only items that become part of a building the nonprofit entity owns or leases and uses to conduct its nonprofit activities are eligible for a refund. A contractor may not include in its statement items the contractor purchased and used to fulfill the contract but did not become part of the building constructed. Items such as scaffolding, concrete forms, fuel for the operation of machinery and equipment, tools, equipment repair parts, equipment rentals, and blueprints are not to be included in contractor's statements.

If you have questions about how to complete this claim, call the Taxpayer Assistance Call Center toll free at 1-877-252-3052.

Line by Line Instructions

- Line 1 - If all purchases and taxes were paid in only one county, enter the name of that county. If you made purchases and paid county tax in more than one county, do not list a county on Line 1. You must complete Form E-536, Schedule of County Sales and Use Taxes, to identify the individual counties to which tax was paid.
- Line 2 - Enter in the State Column total purchases of tangible personal property for use on which State sales or use tax was paid to retailers. Enter in the County Column total purchases of tangible personal property for use on which county sales or use tax was paid to retailers. Do not include tax paid, purchases of items for resale, or purchases described on Line 3 of the claim for refund. **Failure to enter an amount will delay the processing of your claim for refund.**
- Line 3 - Enter in the State Column total State sales and use tax paid directly to retailers on purchases for use, as shown on sales receipts or invoices. Enter in the County Column total county sales and use tax paid directly to retailers on purchases for use as shown on sales receipts or invoices. **Include any .5% Mecklenburg County Public Transportation Tax.**
- Line 4 - Enter in the State Column the total State sales and use tax paid indirectly on building materials and supplies as shown on contractors' statements. Enter in the County Column total county sales and use tax paid indirectly on building materials and supplies as shown on contractors' statements. **Include any .5% Mecklenburg County Public Transportation Tax.**
- Line 5 - Enter in the State Column the total State use tax paid to the Department by your organization on your sales and use tax returns. Enter in the County Column the total county use tax paid to the Department by your organization on your sales and use tax returns. Do not include tax collected and paid on taxable sales made by your organization. **Include any .5% Mecklenburg County Public Transportation Tax.**
- Line 6 - Add the State tax on Lines 3, 4, and 5 and enter the total in the State Column. Add the county tax on Lines 3, 4, and 5 and enter the total in the County Column. **If you made purchases and paid county tax in more than one county you must complete Form E-536, Schedule of County Sales and Use Taxes, to identify the individual counties and rates to which tax was paid. The total of all entries made on Form E-536 should equal the county tax shown on Line 6.**
- Line 7 - Add the State and county taxes on Line 6 and enter the total. This is the total amount of the refund that you are requesting.
- Line 8 - Allocate the amount of county tax included on Line 6 in the County Column to the applicable rate. If you are required to complete Form E-536, Schedule of County Sales and Use Taxes, the amounts entered on Line 8 must equal the total amounts by rate included on Form E-536.