



## North Carolina Department of Revenue

Beverly Eaves Perdue  
Governor

David W. Hoyle  
Secretary

August 1, 2011

Scott Peterson, Executive Director  
Streamlined Sales Tax Governing Board  
4219 Hillsboro Pike, Suite 234  
Nashville, TN 37215

Dear Mr. Peterson:

Pursuant to Section 803 of the Streamlined Sales and Use Tax Agreement (“Agreement”), on behalf of the State of North Carolina, I am certifying that North Carolina is in compliance with the provisions of the “Agreement.” Enclosed please find a current Certificate of Compliance completed as of this date.

Please note that the compliance findings per your letter of January 20, 2011 were resolved by the North Carolina General Assembly. Session Law 2011-330 contained the following items:

1. Section 29 added the following language to NCGS 105-164.4B:  
“(f) Digital Property. – A purchaser receives digital property when the purchaser takes possession of the property or makes first use of the property, whichever comes first.”
2. Section 27 adjusted the language of NCGS 105-164.15A(a)(1) as follows:  
“(1) For a service that is provided and billed on a monthly or other periodic basis:  
a. A new tax or a tax rate increase applies to the first billing period that is at least 30 days after enactment and that starts on or after the effective date. ~~For a service billed after it is provided, the first billing period starts on the effective date. For a service billed before it is provided, the first billing period starts on the first day of the month after the effective date.~~”

Please let Eric K. Wayne, Director of the Sales and Use Division, know if there is anything further we should provide in order to address the noted compliance findings. I hope the information is satisfactory.

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Streamlined Sales Tax Governing Board

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My staff and I will be glad to address any additional questions or concerns. I look forward to continuing our work with the membership of the Governing Board and other parties participating in this effort.

Sincerely,

A handwritten signature in cursive script, appearing to read "David W. Hoyle".

David W. Hoyle  
Secretary of Revenue

cc: Linda Struyk Millsaps, Chief Operating Officer  
Tom Dixon, Assistant Secretary Tax Administration  
Eric K. Wayne, Director Sales and Use Tax Division

Enclosure