



# Town of Zebulon

The Town of *Friendly* People

## PRIVILEGE LICENSE MEMO

On May 29, 2014, the North Carolina General Assembly passed, and the Governor signed, a law that impacted privilege license taxes in North Carolina.

S.L. 2014-3/House Bill 1050 states that beginning on July 1, 2015, local governments will no longer have authority to levy the privilege license tax with some exceptions. **Municipal vehicle taxes, municipal taxicab taxes, municipal and county beer and wine taxes, and municipal and county animal taxes will remain, because all of those taxes arise under statues not affected by the law that repealed the general privilege license tax ("PLT") authority for local governments. Local beer and wine privilege license taxes are authorized by G.S. 105-113.77 (city) and G.S. 105-113.78 (county) and G.S. 105-113.79 (city wholesaler). Any existing business in the Town of Zebulon jurisdiction selling beer or wine for on-premises or off-premises consumption will be billed the applicable local beer and wine tax.** Any new business will be billed when the application is completed and turned into the Town of Zebulon Finance Department.

### Key points for the privilege license tax legislation:

- Any new or existing business will no longer be required to obtain or renew a **privilege license**. In accordance, renewal notices (with the exception of beer and wine taxes) will not be mailed for current year licenses expiring on June 30, 2015. But we will be billing for a business registration fee of \$25 per business.
- Privilege licenses were considered a tax on businesses and were not regulatory regarding a business's right to operate.
- Elimination of this tax was enacted by the NC Legislature and was not under control of the Town of Zebulon.
- The Town of Zebulon Finance Department will still be maintaining any business-related information in our database (hence the business registration process) that was previously collected through the licensing process; this includes a list of new businesses.
- Businesses which hold North Carolina ABC Commission permits must still apply for the Town of Zebulon Beer/Wine Permit (Privilege License) with the Finance Department.
- Even though a privilege license will no longer be necessary after July 1, the Town's Land Development Ordinance (LDO) requires that a building permit must be obtained before a business can occupy a commercial space.
- **Town of Zebulon will be mailing invoices for beer & wine, as well as business registration fees once NC Legislation session ends.**
- Business Link North Carolina (BLNC) will assist businesses with what is needed to operate in North Carolina. Phone (919) 447-7828 or toll free at (800) 228-8443. <http://www.blnc.gov/>

**Fire Department**  
113 E. Vance Street  
Zebulon, NC 27597  
(919) 269-6487  
Fax (919) 269-2618

**Police Department**  
1001 N. Arendell Avenue  
Zebulon, NC 27597  
(919) 269-7455  
Fax (919) 269-0312

**Town Hall**  
1003 N. Arendell Avenue  
Zebulon, NC 27597  
(919) 269-7455  
Fax (919) 269-6200

**Public Works Department**  
450 E. Horton Street  
Zebulon, NC 27597  
(919) 269-5285  
(919) 269-2617