

¼ of Cent sales tax FAQs

1. **What is the Article 46 Sales Tax?**

Authorized by the NC General Assembly under NCGS 105-535, this local sale and use tax allows counties to generate additional revenue to fund public services (like, schools, emergency services)

2. **How much will this cost me?**

The tax adds a **quarter of one percent (1/4% or \$0.25)** for every \$100 spent on taxable items

- \$5.00 purchase – increase of .01 cent
- \$100.00 purchase – increase of .25 cents

3. **Does this tax apply to groceries, gas and prescriptions?**

No. North Carolina state law exempts unprepared foods (Most groceries), gasoline and prescription medications from this tax.

4. **Who pays this tax?**

Anyone who makes taxable purchases in the County. This includes permanent residents, businesses, visitors, and travelers passing through.

5. **Surrounding Counties that have passed the ¼ of a cent sales tax**

- Forsyth
- Surry
- Wilkes
- A total of 49 Counties have passed the ¼ of a cent sales tax

6. **How is the ¼ of a cent sales tax different from property tax?**

Property taxes are only paid by those who own property in the County, both individuals and businesses. The means that not all residents pay property tax. The Article 46 tax is a tax that everyone (all residents, businesses, travelers, tourist) would contribute to when they purchase goods in the County.

7. **What will this look like on the ballot in November?**

**“ FOR AGAINST
Local sales and use tax at the rate of one-quarter
percent (0.25%) in addition to all other State and
local sales and use taxes.”**

8. **Will this affect my power bill?**

No, the state of North Carolina sets the sales tax rate for the electric charges. Below is a what is listed on the Duke Energy website.

What is the Sales Tax For Utility charge?



This charge is the State sales tax of 7% applied to the "Total Current Charges" line item for Duke Energy customers and "Current Electric Charges" for Dominion Energy customers. Your electric utility does not keep this money but instead remits it to the North Carolina Department of Revenue.

9. **How much revenue would ¼ of a cent generate for Yadkin County?**

Approximately \$980,000 per year

10. **What can these funds be used for?**

Based on the citizen survey results, the funds would go to Schools, Fire Departments and Economic Development.