



**Sales and Use Tax Division  
North Carolina Department of Revenue  
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[www.ncdor.gov](http://www.ncdor.gov)**

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**IMPORTANT NOTICE: DISASTER ASSISTANCE SALES AND USE TAX EXEMPTIONS**

**On September 16, 2018**, the United States Department of Agriculture (USDA) approved a waiver allowing participants in the Supplemental Nutrition Assistance Program (SNAP) to purchase hot foods with their SNAP EBT benefits through October 31, 2018. Due to the floods and severe storms caused by Hurricane Florence, and effective immediately, retail food stores authorized by the Food and Nutrition Service to accept SNAP benefits in the State of North Carolina may accept SNAP benefits in exchange for hot foods and foods ready for immediate consumption. This waiver is in effect through October 31, 2018 and applies to purchases of hot foods in all 100 counties.

When hot foods are purchased with SNAP EBT benefits **from retail food stores authorized by the Food and Nutrition Service to accept SNAP benefits** through October 31, 2018, the purchases are NOT subject to sales tax, as the foods are considered SNAP eligible during the period September 16, 2018 through October 31, 2018. Under normal Food and Nutrition Services rules, hot foods and foods ready for immediate consumption are not eligible for purchase at authorized retailer locations.

All SNAP authorized retail food stores in the State of North Carolina are encouraged to post a special notice in the stores advising SNAP customers they can use their SNAP EBT benefits to purchase hot foods and foods ready for immediate consumption. A copy of the press release issued by the USDA is available at [www.usda.gov/media/press-releases/2018/09/17/usda-provides-additional-food-options-snap-participants-impacted](http://www.usda.gov/media/press-releases/2018/09/17/usda-provides-additional-food-options-snap-participants-impacted).

Retailers are reminded that "[f]ood and other items lawfully purchased under the Food Stamp Program, 7 U.S.C. § 2011, and supplemental foods lawfully purchased with a food instrument issued under the Special Supplemental Nutrition Program, 42 U.S.C. § 1786, and supplemental foods purchased for direct distribution by the Special Supplemental Nutrition Program" continue to be exempt from sales and use tax during the period September 16, 2018 through October 31, 2018 and after October 31, 2018 pursuant to N.C. Gen. Stat. § 105-164.13(38).

**Exemption for Disaster Assistance Debit Purchases**

Retail sales of tangible personal property purchased with a client assistance debit card issued for disaster assistance relief by a State agency, or a federal agency or instrumentality such as the Federal Emergency Management Administration (FEMA) or the American Red Cross, are exempt from sales and use tax pursuant to N.C. Gen. Stat. § 105-164.13(58).

**Assistance**

General questions regarding this notice should be directed to the Department at telephone number 1-877-252-3052 (toll-free).

*To the extent there is any change in the rate or amount of tax, change to a statute or regulation, or new case law subsequent to the date of this notice, the provisions in this important notice may be superseded or voided. To the extent that any provisions in any other notice, directive, technical bulletin, or published guidance issued prior to the date of this notice conflicts with this important notice, the provisions contained in this important notice supersede.*