

Heavy Equipment Tax

Effective January 1, 2009, North Carolina General Statutes designated **heavy equipment on which a gross receipts tax may be imposed**, a special class of property. The classification refers to heavy equipment that is offered at retail for short-term lease or rental and is owned or leased by a person (company) engaged in the business of leasing or renting heavy equipment to the general public.

(View North Carolina General Statutes: 105-275(42), 153A-156.1, 160A-215.2)

A Heavy Equipment Tax Application must be submitted to determine if you qualify for this tax. This application is an **annual** requirement that must be filed by **January 31st**. Mail completed application to:

Catawba County Tax Office
Business Personal Property Department
P.O. Box 368
Newton, NC 28658-0368

For assistance in completing an application or questions regarding the Heavy Equipment Tax please call the Catawba County Tax Department at 828-465-8406.

Once an **annual** application has been approved, you may obtain the Gross Receipts Tax Return form by clicking on the link below or calling our office to have one mailed to you.

- A report must be filed each quarter on or before the last business day of the month following the quarter in which the tax accrues (quarters end on March 31, June 30, September 30 and December 31).
- Reports must be received in the Catawba County Finance Department or postmarked by the U.S. Postal Service by the last business day of the month following the month in which the tax accrues. Metered mail is considered to be received as of the date the remittance is received.
- The tax shown to be due must be paid with the report or penalties will be charged. See NCGS 105.236 for information regarding penalties.

- Payments should be remitted by check or money order made payable to Catawba County. One check for all locations will be accepted; however, a separate report for each location must be filed.
- If you do not owe any tax for a quarter, you must file a report showing "No Tax Due."
- As provided in NCGS 160A-208.1, a return filed with the Catawba County Finance Department shall not be considered a public record, and information contained in a return may not be disclosed except as required by law.

Heavy Equipment FAQ

What does this special classification mean?

A business having **heavy equipment on which a gross receipts tax may be imposed** does not have to annually report said equipment for business personal property taxation; however, the business may be required to charge a Heavy Equipment Gross Receipts Tax on the rental or lease of said equipment.

How does a business qualify?

To qualify as a principal business of short-term lease or rental, more than 50% of the company's income must be derived from the rental of qualified heavy equipment. For example, if the total company receipts from all sources are \$1,000,000 and the receipts from the rental of qualified heavy equipment are \$450,000; a business would not qualify.

What is considered qualified heavy equipment?

Earthmoving, construction or industrial equipment that is mobile, weighs at least 1,500 pounds, and meets any of the descriptions listed below. The term includes an attachment for heavy equipment, regardless of the weight of the attachment.

- It is a self-propelled vehicle that is not designed to be driven on a highway.
- It is industrial lift equipment, industrial material-handling equipment, industrial electrical-generation equipment, or a similar piece of industrial equipment.

My business qualifies to impose a heavy equipment tax. What do I need to do?

If your business meets the requirements to impose the tax and is located in the taxing jurisdiction of the County of Catawba, **you are required to charge a Heavy Equipment Gross Receipts Tax**. Businesses that qualify to charge the Heavy Equipment Gross Receipts Tax are not required to list the equipment on their Business Property Tax Listing form for the same period as the tax is charged; however, you are required to list other remaining taxable business property such as furniture, fixtures, computers, etc.

My business does not qualify to impose the tax. What do I need to do?

You must annually list your heavy rental equipment and other taxable property for business personal property taxation.

What should I do if I am required to charge the tax?

If you are required to charge the tax, you must submit an **annual** Heavy Equipment Gross Receipts Tax Application with the Catawba County Tax Department for acceptance into this group. Once your application is processed and approved, you may obtain the Gross Receipts Tax Return form by clicking the link below or calling our office to have one mailed to you. Taxes are to be remitted on a quarterly basis to:

**Catawba County Finance Department
P.O. Box 389
Newton, NC 28658-0389**

Who should I contact for additional assistance?

Contact the Business Personal Property Department at 828-465-8406.

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[Heavy Equipment Tax Application](#)

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