

# North Carolina Department of Revenue

This is an excerpt from North Carolina Department of Revenue Directive, Sales, and Use Tax Division, RE: Repair, Maintenance, and Installation Services for Real Property and Real Property Contracts, # SD-18-1, April 18, 2018, page 17.

This is intended for the use of candidates preparing for the NCICLB irrigation contractor license exam. Please review the full directive using this link to the NCDOR website:

<https://www.ncdor.gov/documents/files/sales-and-use-tax-directive-18-1/open>.

**Disclaimer: This list is not specific tax advice. The application of sales and use tax may differ based on the facts and circumstances of a particular transaction. This list is not an all-inclusive list and may be updated in the future by the Department.**

Transactions by Category	<u>Capital Improvement</u> <i>Gross Receipts are Exempt from Sales and Use Tax Provided the Substantiation Requirements are Met</i>	<u>Repair, Maintenance, and Installation Services</u> <i>Sales Price or Gross Receipts are Taxable Unless Exemption Applies to the Gross Sales Price or Gross Receipts</i>
<b>Kitchens (Cont'd)</b>		
Repair, maintain, install, or replace: cabinets, cabinet doors, countertops, dishwashers, ducted or ductless hoods, exhaust fans, faucets, freezers, garbage disposals, ovens, ranges, refrigerators, sinks, and other installations where the item being installed may replace a similar existing item		Taxable
<b>Landscaping and Yard Care (see also – Driveways, Parking Lots, Roads, and Sidewalks)</b>		
Invisible fence – install, replace, maintain, repair		Taxable
Installation or complete replacement of: fences (permanent), flagstone walks, patio block walks, other types of walks, fountains (except free-standing), sprinkler systems	X	
Repair, maintain, install, or replace irrigation components		Taxable
Repair, maintain, install, or replace landscape lights		Taxable
Plant, maintain, install, or replace lawns (includes sod), flowers (perennials and annuals), shrubs, and trees	X	
Repair, maintain, or install free-standing fountains		Taxable
Repair, maintain, or install temporary or moveable ponds		Taxable
Apply fertilizers, herbicides, and pesticides	X	
Mow lawns, aerate, reseed, over seed, sod bare spots	X	
Soil testing or analysis		Taxable
Prune or fertilize trees or shrubs	X	
Removal without replacement of trees or shrubs	X	
Repair fences and gates		Taxable
Repair, maintain, install, or replace component parts in underground lawn sprinkler systems: centrifugal pumps, remote control valves, sprinkler controllers, pump controllers, sections or piping, sprinkler heads		Taxable
Repair, maintain, install, or replace fence fabric		Taxable
Install or replace landscaping timbers, planter boxes, and landscaping fabric or raised beds.		Taxable