

**TOWN OF HILLSBOROUGH PREPARED FOOD & BEVERAGE REPORT FORM
PO BOX 429 • HILLSBOROUGH, NC 27278**

Report for sales occurring in _____
Month/Year

*****Report and payment are due on the 25th day of the next month*****

Legal name of business _____

Doing business as _____

A) Operator of business* _____
*provide responsible individual's name (print)

Mailing address _____

Property location _____

B) If no sales during the period, check here

If you have **permanently closed in Hillsborough**, enter closure date below:

Month _____ Day _____ Year _____

C) Signature _____

Print name _____

Title _____

Phone # _____

E-mail _____

D) 12-digit state sales tax # (if applicable) H - _____

Check Business Type:

- | | |
|--------------------------------------|---|
| <input type="checkbox"/> Bakery | <input type="checkbox"/> Deli |
| <input type="checkbox"/> Candy | <input type="checkbox"/> Ice Cream/Yogurt |
| <input type="checkbox"/> Caterer | <input type="checkbox"/> Lounge/Tavern |
| <input type="checkbox"/> Concession | <input type="checkbox"/> Restaurant |
| <input type="checkbox"/> Convenience | |

E) Gross sales _____

Non-taxable sales _____

Net taxable sales _____

Multiply Net Taxable Sales by 0.01 (1%) and enter below

TOTAL TAX _____

Penalty, if applicable (*please call if filing late and enter total*) _____

F) **TOTAL DUE (TOTAL TAX + PENALTY):** \$ _____

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INSTRUCTIONS FOR THE PREPARED FOOD AND BEVERAGE TAX REPORT FOR THE TOWN OF HILLSBOROUGH

***** All inquiries should be directed to the Town of Hillsborough Finance Department at (919) 732-2104 ext. 1008 *****

1. Reports must be filed by the 25th day of the following month. For example, taxes and reports due for sales during the month of January are due by February 25th. Payments of taxes due, including penalties (if applicable), must be remitted with this form to ensure proper credit to your account.
2. Payments are considered on time if your report and payment for taxes are received in the Town of Hillsborough Finance Department or postmarked by the U.S. Postal Service on or before the 25th day of the month following the month in which the tax accrues. **It is strongly recommended you obtain a tracking number if you mail your return and payment, as past payments have been lost in the mail. Without this evidence, there is no defense against a failure to file your return by its due date.**
3. Nonprofit organizations are not exempt from the legal requirement to collect the town's prepared food and beverage tax, as the tax is levied on the individual consumer (not the merchant/seller). Sales are only exempt if the end-user or consumer of the prepared food and/or beverage is a tax-exempt entity under an appropriate provision of the U.S. Internal Revenue Code.
4. Reports must be filed each month even if no taxes are due. Applicable penalty will be due for late filing.
5. **How to submit your report and payment:**
 - a. **Submit and pay by mail** – Complete, sign, and mail your tax report and a check to the following address. DO NOT MAIL CASH.
*Town of Hillsborough
Finance Dept., Food & Beverage Tax
P.O. Box 429
Hillsborough, NC 27278*
 - b. **Submit and pay in person** – Visit us at 137 N. Churton St.
 - c. **Submit and pay online** – Complete, sign, and e-mail an electronic copy of your tax report to finance@hillsboroughnc.gov. Then, visit the Finance Department's website by clicking [here](#), or by navigating to the following URL.

<https://www.hillsboroughnc.gov/government/departments-and-divisions/finance/>

Follow the **"ePay Portal"** links toward the top of the page to be redirected to our payment processor. When submitting payment, please choose **"Prepared Food and Beverage Tax"** in the payment type menu and enter the tax month and year in the comments/memo field. Please call us at **(919) 732-2104 ext. 1008** with any questions.

6. Restaurant chains may send one check for all locations; however, a separate report for each location must be submitted.
7. **Penalties:**
 - a. If the report is filed after the due date (the 25th), add a \$2 penalty for each day the report is late. *****Please call (919) 732-2104 ext. 1008 to confirm penalties*****
 - b. In case of failure or refusal to file the return or pay the tax for a period of 30 days after the time required for filing the return or for paying the tax, there shall be an additional tax, as a penalty, of five percent (5%) of the tax due in addition to any other penalty, with an additional tax of five percent (5%) for each additional month or fraction thereof until the tax is paid. *****Please call (919) 732-2104 ext. 1008 to confirm penalties*****
 - c. When the bank returns a check because of insufficient funds or the nonexistence of an account, a penalty will be assessed equal to (10%) of the check, subject to a minimum of one dollar (\$1.00) and a maximum of one thousand dollars (\$1,000).
 - d. If there is a deficiency or delinquency in payment of any tax because of fraud with intent to evade the tax, the Town shall assess a penalty equal to fifty percent (50%) of the total deficiency.
 - e. Any person who willfully attempts, or any person who aids or abets any person to attempt in any manner to evade or defeat a tax or its payment, shall, in addition to other penalties provided by law, be guilty of a Class H felony.
 - f. Any person required to collect, withhold, account for, and pay over any tax who willfully fails to collect or truthfully account for and pay over the tax, shall, in addition to other penalties provided by law, be guilty of a Class 1 misdemeanor. Notwithstanding any other provision of law, no prosecution for a violation brought under this subdivision shall be barred before the expiration of six (6) years after the date of the violation.
 - g. Any person required to pay any tax, to make a return, to keep any records, or to supply any information, who willfully fails to pay the tax, make the return, keep the records, or supply the information, at the time or times required by law, or rules issued pursuant thereto, shall, in addition to other penalties provided by law, be guilty of a Class I misdemeanor. Notwithstanding any other provision of law, no prosecution for a violation brought under this subdivision shall be barred before the expiration of six (6) years after the date of the violation.

This tax was levied by the Town of Hillsborough Board of Commissioners in accordance with Chapter 449 of the 1993 Session Laws of the North Carolina General Assembly. The resolution levying the tax provides, in part, as follows:

"The board of commissioners of the Town of Hillsborough may, by resolution after not less than 10 days' public notice and a public hearing held pursuant thereto, levy a prepared food and beverage tax of up to one percent (1%) of the sales price of prepared food and beverages sold within the Town of Hillsborough at retail for consumption on or off the premises by a retailer subject to sales tax under G.S. 105-164.4(a)(1). This tax is in addition to State and local sales tax. The tax applies to prepared food and beverages served in the Town of Hillsborough even if the caterer serving them is not a resident of the town; the tax does not apply to prepared food and beverages served outside the town even if the caterer serving it is a resident of the town. The term "prepared food and beverages" means any meals, food, or beverages to which a retailer has added value or has altered its state (other than solely by cooling) by preparing, combining, dividing, heating, or serving, in order to make the food or beverage available for immediate human consumption."