

**MINUTES**

**NORTH CAROLINA AUCTIONEER LICENSING BOARD**

**February 10, 2020**

The North Carolina Auctioneer Licensing Board met on Monday, February 10, 2020 in the Fuquay-Varina Office. The meeting was called to order at 10:00 a.m. Members present were Vice Chairman Buck Lattimore, Dan DeVane, Willie A. Johnson, and Allison H. Pant. Also, present were Executive Director Charles F. Diehl, Administrative Officer Becky Stewart, and Special Deputy Attorney General Anne Brown with the NC Department of Justice. Chairman Lisa York was absent due to illness.

Vice Chairman Lattimore presided at the meeting and inquired of each member if there were any known conflicts of interest or any appearance of conflicts with respect to any matters coming before the Board during this meeting. Vice Chairman Lattimore recused himself from consideration of the Probable Cause recommendation due to his attendance and participation in Probable Cause Subcommittee meeting. Other members stated there were none.

**Minutes of the meeting held on January 21, 2020 were reviewed. Member DeVane made a motion to accept the January 21, 2020 minutes. Member Johnson seconded the motion, which carried.**

At this time Executive Director Diehl reported that at the last meeting, the Board adopted Rules 21 NCAC 4B as proposed. He will be submitting the adopted rules to the Rules Review Commission between February 21 and February 29. Director Diehl will advise the Board by email when they have been submitted.

Then Director Diehl reported there are four (4) current formal complaints under investigation. He also reported on the Informal Investigations and Ad Violations for the month of January.

Next the Board considered the Probable Cause Report. **Member Pant made a motion to approve the Probable Cause Report. Member DeVane seconded the motion, which carried.** Prior to the motion or any discussion, Vice Chairman Lattimore had recused himself from consideration of the Probable Cause Report due to his participation in the Probable Cause Subcommittee meeting.

Next Director Diehl presented the financial report concerning the individual month of January. **Member Pant made a motion to approve the financial report for the month of January. Member Johnson seconded the motion, which carried.**

Then Executive Director Diehl presented for the Board's consideration a New Continuing Education Course and Instructor for the Auctioneers Association of North Carolina: "*Marketing Furniture at Auction*" – Joel Isley. **Member Pant made a motion to approve the new continuing education course and instructor for the Auctioneers Association of North Carolina. Member DeVane seconded the motion, which carried.**

At this time Vice Chairman Lattimore welcomed visitor Rick Lashmit with the Auctioneers Association of North Carolina to the meeting.

Next Director Diehl provided each Board member with a spreadsheet representing each recovery fund claim that has been received at this time in the Franklin, NC complaint case. After review and discussion **Member DeVane made a motion to delay action until August to allow any additional aggrieved person(s) to file a formal complaint within the one-year allowable time and the Board will review and make a decision on all claims at the August Board meeting. Member Johnson seconded the motion, which carried.**

At this time Vice Chairman Lattimore requested Director Diehl provide a report on the recent NC sales tax issue. Director Diehl reported that on Thursday afternoon an email was received from the North Carolina Department of Revenue (NCDOR) with a Directive dated

February 6 regarding information about a recent tax interpretation. Recent legislation had been enacted which was partially in response to the Wayfair Supreme Court ruling. In its interpretation of this legislation, the NCDOR considers auctioneers to be marketplace facilitators and the NCDOR has taken the position that auctioneers have to collect and remit sales tax for all sales, including sales conducted at the seller's property. According to the NCDOR, there is no longer any exemption for this type of sale. In late January of 2020, the NCDOR sent an email requesting mailing addresses of licensees so they could inform auctioneers and auction firms of this sales tax issue. In addition to the NCDOR doing a mailing, Director Diehl had requested a copy of the Directive so he could send out a notification of the NCDOR's position by email to those licensees with email addresses. Director Diehl reported that legislative issues involving NCGS 85B are monitored, and in the past when there have been legislative issues that have directly affected NCGS 85B, this Board has informed auctioneers and the trade association immediately. The NCALB does not monitor revenue law legislation and had not been aware of sales tax changes until contacted by the NCDOR. The legislation did not specifically mention auctioneers or auction sales. The Board held a discussion on this matter. **Member DeVane made a motion that the Board issue a Resolution as follows: The North Carolina Auctioneer Licensing Board is appointed by the Governor and is currently hearing concerns expressed from auctioneers regarding sales tax collection issues. The NCALB is concerned about reported changes to long-standing tax collection practiced when selling estate property. NCALB encourages the North Carolina Department of Revenue to work with the State's auction industry trade association to educate individual auctioneers and address concerns with sales tax collection requirements. Member Johnson seconded the motion, which carried.**

At this time Director Diehl provided an update report on the NCALB funding Continuing Education Program. Classes were held on January 27, 2020 in Fayetteville and February 3, 2020

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in Albemarle with the next class to be held in Hickory on February 26, 2020. Director Diehl plans to attend each of the NCALB funded CE Programs.

Then Director Diehl reminded the Board members that have not completed their NC Board of Ethics 2020 Statement of Economic Interest that it is due by April 15, 2020.

**At this time Member Pant made a motion to go into Closed Session to discuss a personnel matter. Member DeVane seconded the motion, which carried.** The Board went into Closed Session at 11:20 a.m. The Board returned to Open Session at 11:35 a.m. No votes were taken during Closed Session. **Member DeVane made a motion to accept the resignation of Investigator Ralph Southerland as submitted. Member Johnson seconded the motion, which carried.**

Following the review and approval of applications for licensing, the Board confirmed the next regular meeting on Monday, March 9, 2020 at 10:00 a.m. in the Fuquay-Varina office. **Member DeVane made a motion to adjourn the meeting. Member Pant seconded the motion, which carried.**

The meeting adjourned at 11:40 a.m.

Respectfully Submitted,

Becky J. Stewart  
Administrative Officer