

# North Carolina Board of Funeral Service

1033 Wade Avenue, Suite 108, Raleigh, NC 27605

(919)-733-9380 or 1-800-862-0636

[www.ncbfs.org](http://www.ncbfs.org)

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The next meeting of the Board will be 9 a.m. Wednesday, July 13, 2011 at the Board offices, 1033 Wade Avenue, Ste. 108, Raleigh, NC 27605. The Board designated the primary purpose of this meeting is for hearings. The Board will also meet for hearings on Thursday, July 14, 2011. There will be a brief business agenda for the meeting that can be viewed by [following this link](#).

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BOARD ACTIONS- Actions and Results from the June 8 Board meeting:

- A. Reviewed and approved the 2010 Financial Audit.
- B. Approved the recommendations of the Finance and Personnel committee regarding the staff health plan.

## CREMATORY AUTHORITY

The NC Crematory Authority will meet 2 p.m. July 12 at the Board offices 1033 Wade Avenue, Suite 108, Raleigh, NC. The agenda for that meeting may be viewed by [following this link](#). Nomination petitions for Crematory Authority elections have been mailed. Nominations opened July 1 and will close August 1.

## CHANGES TO SALES TAX RATES

Excerpt from notice issued by the NC Department of Revenue:

**Effective July 1, 2011, the general State tax rate applicable to sales and purchases of tangible personal property, certain digital property, and certain services is 4.75%.** As a result, the general State and local tax rate will be 6.75% in eighty-two counties, 7% in Alexander, Catawba, Cumberland, Duplin, Haywood, Hertford, Lee, Martin, New Hanover, Onslow, Pitt, Randolph, Robeson, Rowan, Sampson, Surry and Wilkes Counties, and 7.25% in Mecklenburg County.

Questions about this notice should be directed to the Taxpayer Assistance and Collection Center at telephone number 1-877-252-3052 (toll-free).

This change will effect computation of sales tax on funeral merchandise.

## LEGISLATIVE UPDATE

- **SL2011-197 (House bill 331)** Allows physician's assistants and nurse practitioners under supervision of a physician to sign death certificates. This becomes effective October 1, 2011 and applies to certificates signed on or after that date.
- **SL2011-344 (Senate bill 432)** Primarily deals with revising probate law, however included are changes to the laws governing appointment of a health care power of attorney or "health agent". For purposes of making anatomical gifts, the authorization of any autopsy, and the

disposition of remains, a health care power of attorney is now effective after death, even if the principal did not become incompetent before death. This means funeral homes and crematories will no longer have to confirm a doctor made written findings of the principal's incapacity in order to follow the directions of a health agent for disposition decisions. This will be effective January 1, 2012.

- **SL2011-229 (House bill 664)** changed insurance law to provide certain information to a funeral director or establishment for a deceased person's group life insurance coverage. Previously enacted legislation did not include group life insurance of the deceased as part of those products for which companies must provide. This is now in effect.

#### FTC RED FLAG COMPLIANCE UPDATE

With the passage of US Senate Bill 3987 The Red Flag Program Clarification Act, most funeral homes will not have to comply with the FTC Red Flag Regulations took effect January 1, 2011. The bill limits the compliance with Red Flag Regulations to businesses that:

- 1) obtains or uses consumer reports, directly or indirectly, in connection with a credit transaction;
- 2) furnishes information to certain consumer reporting agencies in connection with a credit transaction; or
- 3) advances funds to or on behalf of a person, based on the persons obligation to repay the funds.

While the third section appears to apply to cash advances made by funeral homes, the bill specifically exempts funds advanced for expenses that are secondary to a service the business provides. Funeral homes will have to comply with Red Flag Regulations if they use credit reports when arranging financing with consumers or send information to credit reporting agencies

#### IN SYMPATHY:

**Phyllis Ann Garvin** , of Lafayette Funeral Home, Fayetteville, who died Friday June 3.

**Timothy B. Hudson** of Walker Funeral Home Chapel Hill who died Friday June 3.