

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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HOUSE BILL 1154

Short Title: End Jaguar Subsidy.

(Public)

Sponsors: Representatives Luebke; Barnhill, Beall, Colton, N.J. Crawford, Diamont, Gottovi, Green, Hightower, Holt, Judy Hunt, Nesbitt, Ramsey, Stamey, Stewart, Wilmoth, and Withrow.

Referred to: Finance.

May 3, 1991

A BILL TO BE ENTITLED

AN ACT TO REMOVE THE CAP ON THE MOTOR VEHICLES HIGHWAY USE TAX AND TO CREDIT THE RESULTING REVENUE INCREASE TO THE GENERAL FUND.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-187.3(a) reads as rewritten:

"(a) Amount. The rate of the use tax imposed by this Article is three percent (3%) of the retail value of a motor vehicle for which a certificate of title is issued. The tax is payable as provided in G.S. 105-187.4. The tax may not be less than forty dollars (\$40.00) for each motor vehicle for which a certificate of title is issued, unless the issuance of a title for the vehicle is exempt from tax under G.S. 105-187.6(a). ~~The tax may not be more than one thousand dollars (\$1,000) for each motor vehicle for which a certificate of title is issued.~~"

Sec. 2. G.S. 105-187.9 reads as rewritten:

"§ 105-187.9. Disposition of tax proceeds.

Taxes collected under this Article at the rate of eight percent (8%) shall be credited to the General Fund. ~~Taxes Two percent (2%) of the taxes collected under this Article at the rate of three percent (3%) shall be credited to the General Fund; the remainder of the taxes collected under this Article at the rate of three percent (3%) shall be credited to the North Carolina Highway Trust Fund.~~ In each fiscal year the State Treasurer shall transfer the sum of one hundred seventy million dollars (\$170,000,000) of the taxes

1 deposited in the Trust Fund to the General Fund by transferring one-fourth of this
2 amount at the end of each quarter in the fiscal year."

3 Sec. 3. Section 4.2 of Chapter 692 of the 1989 Session Laws is repealed.

4 Sec. 4. This act becomes effective July 1, 1991.