

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: SB 159 Committee Substitute

SHORT TITLE: Non-tax-paid Fuel Criminal Penalty

SPONSOR(S): Senator Kerr

FISCAL IMPACT:      Expenditures:      Increase ( )      Decrease ( )  
                          Revenues:              Increase ( )      Decrease ( )  
                          No Impact (X)  
                          No Estimate Available ( )

FUND AFFECTED:    General Fund ( )    Highway Fund ( )    Local Fund ( )  
                          Other Fund ( )

**BILL SUMMARY:** "TO PROHIBIT DELIVERY OF NON-TAX-PAID SPECIAL FUEL INTO THE SUPPLY TANK OF A MOTOR VEHICLE AND ACQUISITION OF NON-TAX-PAID SPECIAL FUEL FOR USE IN A MOTOR VEHICLE." Special fuel is diesel fuel and other kinds of motor fuel except gasoline. Non-tax-paid special fuel is special fuel on which the per gallon excise tax has not been paid. Amends 105-449.34 to create two misdemeanor offenses of knowingly dispensing non-tax-paid special fuel into a motor vehicle and knowingly allowing someone to dispense non-tax-paid fuel into a motor vehicle. Violation punishable under G.S. 14-3(a) by imprisonment for up to two years, a fine, or both in the court's discretion.

Committee substitute makes technical change.

**EFFECTIVE DATE:** December 1, 1993; applicable to all offenses committed on or after that date.

**PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED:** Judicial Department; Department of Correction

FISCAL IMPACT

	<u>FY</u> 93-94	<u>FY</u> 94-95	<u>FY</u> 95-96	<u>FY</u> 96-97	<u>FY</u> 97-98
EXPENDITURES	0	0	0	0	0
NON-RECURRING					
REVENUES/RECEIPTS	0	0	0	0	0
RECURRING					
NON-RECURRING					

POSITIONS: None

**ASSUMPTIONS AND METHODOLOGY:** It is not anticipated that the proposed legislation would have a significant fiscal impact on the Judicial Department or the Department of Correction. G.S. 105-441.1 currently provides a civil penalty for such offenders. A representative of the Motor Fuel Tax Division (Criminal Investigations Unit) at the Department of Revenue notes that the new criminal penalty would be used largely to promote voluntary compliance. The Department estimates that there would only be approximately 6 cases filed in court per year. The Administrative Office of the Courts estimates that any additional fiscal impact resulting from these cases could be absorbed within existing resources. Since the proposed penalty includes a variety of sentencing options ranging from a fine only up to six months of incarceration, no significant impact is estimated upon the DOC or local jail facilities.

**SOURCES OF DATA:** Department of Revenue, Motor Fuel Tax Division; Administrative Office of the Courts.

**TECHNICAL CONSIDERATIONS:**

**FISCAL RESEARCH DIVISION**

733-4910

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**DATE:** 27-MAY-93

**[FRD#003]**



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