

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 1995**

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HOUSE BILL 722\*

Short Title: No Tax on School Buses.

(Public)

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Sponsors: Representatives Creech; Arnold, Berry, Clary, Cocklereece, Cummings, Eddins, Edwards, Hayes, Lee, McMahan, Pate, Pulley, Rayfield, Sexton, Sharpe, Sherrill, Shubert, Snowden, Thompson, Weatherly, and G. Wilson.

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Referred to: Finance.

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March 30, 1995

A BILL TO BE ENTITLED

AN ACT TO EXEMPT SCHOOL BUSES FROM HIGHWAY USE TAX.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-187.6(a) reads as rewritten:

"(a) Full Exemptions. – The tax imposed by this Article does not apply when a certificate of title is issued as the result of a transfer of a motor vehicle:

(1) To the insurer of the motor vehicle under G.S. 20-109.1 because the vehicle is a salvage vehicle.

(2) To either a manufacturer, as defined in G.S. 20-286, or a motor vehicle retailer for the purpose of resale.

(3) To the same owner to reflect a change or correction in the owner's name.

(4) By will or intestacy.

(5) By a gift between a husband and wife, a parent and child, or a stepparent and a stepchild.

(6) By a distribution of marital property as a result of a divorce.

- 1           (7) To a handicapped person from the Department of Human Resources  
2           after the vehicle has been equipped by the Department for use by the  
3           handicapped.
- 4           (8) To a local board of education for use in the driver education program of  
5           a public school when the motor vehicle is transferred:  
6           a. By a retailer and is to be transferred back to the retailer within  
7           300 days after the transfer to the local board.  
8           b. By a local board of education.
- 9           (9) To the State or a local board of education when the motor vehicle is a  
10          school bus and is to be used for public school transportation."
- 11          Sec. 2. This act becomes effective July 1, 1995, and applies to certificates of  
12          title issued on or after that date.