

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 1999

HOUSE BILL 1302
RATIFIED BILL

AN ACT TO EXEMPT FROM TAX MOTOR FUEL SOLD TO CHARTER SCHOOLS.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-228.90(b) reads as rewritten:

"(b) Definitions. – The following definitions apply in this Article:

- (1) Charter school. – A nonprofit corporation that has a charter under G.S. 115C-238.29D to operate a charter school.
- ~~(1a)~~(1a) City. – A city as defined by G.S. 160A-1(2). The term also includes an urban service district defined by the governing board of a consolidated city-county, as defined by G.S. 160B-2(1).
- ~~(1a)~~(1b) **(See Editor's note)** Code. – The Internal Revenue Code as enacted as of June 1, 1999, including any provisions enacted as of that date which become effective either before or after that date.
- ~~(1b)~~(1c) County. – Any one of the counties listed in G.S. 153A-10. The term also includes a consolidated city-county as defined by G.S. 160B-2(1).
- (2) Reserved.
- (3) Electronic Funds Transfer. – A transfer of funds initiated by using an electronic terminal, a telephone, a computer, or magnetic tape to instruct or authorize a financial institution or its agent to credit or debit an account.
- (4) Reserved.
- (5) Person. – An individual, a fiduciary, a firm, an association, a partnership, a limited liability company, a corporation, a unit of government, or another group acting as a unit. The term includes an officer or employee of a corporation, a member, a manager, or an employee of a limited liability company, and a member or employee of a partnership who, as officer, employee, member, or manager, is under a duty to perform an act in meeting the requirements of Subchapter I, V, or VIII of this Chapter or of Article 3 of Chapter 119 of the General Statutes.
- (6) Secretary. – The Secretary of Revenue.
- (7) Tax. – A tax levied under Subchapter I, V, or VIII of this Chapter or an inspection tax levied under Article 3 of Chapter 119 of the General Statutes. Unless the context clearly requires otherwise, the terms "tax" and "additional tax" include penalties and interest as well as the principal amount.
- (8) Taxpayer. – A person subject to the tax or reporting requirements of Subchapter I, V, or VIII of this Chapter or of Article 3 of Chapter 119 of the General Statutes."

Section 2. G.S. 105-449.88 reads as rewritten:

"§ 105-449.88. Exemptions from the excise tax.

The excise tax on motor fuel does not apply to the following:

- (1) Motor fuel removed, by transport truck or another means of transfer outside the terminal transfer system, from a terminal for export, if the

supplier of the motor fuel collects tax on it at the rate of the motor fuel's destination state.

- (2) Motor fuel sold to the federal government for its use.
- (3) Motor fuel sold to the State for its use.
- (4) Motor fuel sold to a local board of education for use in the public school system.
- (5) Diesel that is kerosene and is sold to an airport.
- (6) Motor fuel sold to a charter school for use for charter school purposes."

Section 3. G.S. 115C-238.29J is amended by adding a new subsection to read:

"(d) The State Board of Education shall direct the Department of Public Instruction to notify the Department of Revenue when the State Board of Education terminates, fails to renew, or grants a charter for a charter school."

Section 4. This act becomes effective October 1, 2000.

In the General Assembly read three times and ratified this the 30th day of June, 2000.

Marc Basnight
President Pro Tempore of the Senate

James B. Black
Speaker of the House of Representatives

James B. Hunt, Jr.
Governor

Approved _____ .m. this _____ day of _____ , 2000