

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2003

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SENATE DRS15285-LY-206A (05/19)

Short Title: Freeze Motor Fuels Tax. (Public)

Sponsors: Senators Hoyle and Rand.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO FREEZE THE VARIABLE WHOLESALE COMPONENT OF THE
MOTOR FUELS TAX RATE AT ITS CURRENT RATE FOR A PERIOD OF ONE
YEAR.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-449.80(a) reads as rewritten:

"(a) Rate. – The motor fuel excise tax rate is a flat rate of seventeen and one-half cents (17 1/2¢) a gallon plus a variable wholesale component. The variable wholesale component is either three and one-half cents (3 1/2¢) a gallon or seven percent (7%) of the average wholesale price of motor fuel for the applicable base period, whichever is greater. In no case may the variable wholesale component be greater than six and eight-tenths cents (6.8¢) a gallon.

The two base periods are six-month periods; one ends on September 30 and one ends on March 31. The Secretary must set the tax rate twice a year based on the wholesale price for each base period. A tax rate set by the Secretary using information for the base period that ends on September 30 applies to the six-month period that begins the following January 1. A tax rate set by the Secretary using information for the base period that ends on March 31 applies to the six-month period that begins the following July 1."

SECTION 2. This act is effective when it becomes law and applies to rates set on or after that date. This act is repealed effective June 1, 2005, for rates set on or after that date.