

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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SENATE BILL 1955*

Short Title: Motorsports Incentives.

(Public)

Sponsors: Senator Hoyle.

Referred to: Finance.

May 25, 2006

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE FOR A SALES AND USE TAX INCENTIVE FOR THE
3 MOTORSPORTS INDUSTRY AS RECOMMENDED BY THE GOVERNOR'S
4 MOTORSPORTS ADVISORY COUNCIL.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 105-164.3 reads as rewritten:

7 "**§ 105-164.3. Definitions.**

8 The following definitions apply in this Article:

9 ...

10 (30a) Professional motorsports racing team. – A racing team that satisfies all
11 of the following conditions:

12 a. The team is operated for profit.

13 b. A majority of the revenues of the team is derived from
14 sponsorship of the racing team and prize money.

15 c. The team competes in at least sixty-six percent (66%) of the
16 racers sponsored in a single season by a motorsports sanctioning
17 body.

18 (30b) Prosthetic device. – A replacement, corrective, or supporting device
19 worn on or in the body that meets one of the conditions of this
20 subdivision. The term includes repair and replacement parts for the
21 device.

22 a. Artificially replaces a missing portion of the body.

23 b. Prevents or corrects a physical deformity or malfunction.

24 c. Supports a weak or deformed portion of the body.

25 ..."

26 **SECTION 2.** G.S. 105-164.14(l) reads as rewritten:

27 "(l) Aviation Fuel for Motorsports Events. – A professional motorsports racing
28 team or a motorsports sanctioning body is allowed a refund of the sales and use tax paid
29 by it in this State on aviation fuel that is used to travel to or from a motorsports event in

1 this State, to travel to a motorsports event in another state from a location in this State,
2 or to travel to this State from a motorsports event in another state. For the purposes of
3 this subsection, a "motorsports event" includes a motorsports race, a motorsports
4 sponsor event, and motor sports testing. A request for a refund must be in writing and
5 must include any information and documentation the Secretary requires. A request for a
6 refund is due within six months after the end of the State's fiscal year. Refunds applied
7 for after the due date are barred. This subsection is repealed for purchases made on or
8 after January 1, 2007."

9 **SECTION 3.** G.S. 105-164.14 is amended by adding a new subsection to
10 read:

11 "(m) Professional Motor Racing Vehicles. – A professional motorsports racing
12 team is allowed a refund of the sales and use tax paid by it in this State on tangible
13 personal property, other than tires or accessories, that comprises any part of a
14 professional motor racing vehicle. For the purposes of this subsection, 'accessories'
15 includes instrumentation, telemetry, consumables, and paint. A request for a refund
16 must be in writing and must include any information and documentation the Secretary
17 requires. A request for a refund is due within six months after the end of the State's
18 fiscal year. Refunds applied for after the due date are barred."

19 **SECTION 4.** Section 62 of S.L. 2005-435 reads as rewritten:

20 **"SECTION 62.** This part becomes effective January 1, 2005, and applies to
21 purchases made on or after that date. ~~This part~~ Section 61 is repealed effective for
22 purchases made on or after January 1, 2007. This part does not affect the rights or
23 liabilities of the State, a taxpayer, or another person arising under a statute amended or
24 repealed by this part before the effective date of its amendment or repeal; nor does it
25 affect the right to any refund or credit of a tax that accrued under the amended or
26 repealed statute before the effective date of its amendment or repeal."

27 **SECTION 5.** This act becomes effective January 1, 2006, and applies to
28 purchases made on or after that date. This act does not affect the rights or liabilities of
29 the State, a taxpayer, or another person arising under a statute amended or repealed by
30 this act before the effective date of its amendment or repeal; nor does it affect the right
31 to any refund or credit of a tax that accrued under the amended or repealed statute
32 before the effective date of its amendment or repeal.