

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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HOUSE BILL 1642

Short Title: Conform Tax Rate on Certain Vehicles. (Public)

Sponsors: Representatives Weiss, Luebke, Insko (Primary Sponsors); Adams, Barefoot, Bonner, Boyd-McIntyre, Cox, Cunningham, Earle, Easterling, Edwards, Gibson, Hackney, Hensley, Holliman, Hunter, Jeffus, Lucas, Michaux, Miller, Nesbitt, Owens, Sutton, Wainwright, Warren, Willingham, Womble, Wright, and Yongue.

Referred to: Finance.

June 13, 2002

A BILL TO BE ENTITLED

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2 AN ACT TO CONFORM THE TAX RATE APPLIED TO SALES OF AIRCRAFT,
3 RAILWAY CARS, AND LOCOMOTIVES TO THAT APPLIED TO SALES OF
4 MOTOR VEHICLES.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** G.S. 105-164.4(a)(1b) reads as rewritten:

7 "(a) (Effective until July 1, 2003) A privilege tax is imposed on a retailer at the
8 following percentage rates of the retailer's net taxable sales or gross receipts, as
9 appropriate. The general rate of tax is four and one-half percent (4 1/2%).

10 ...

11 (1b) The rate of three percent (3%) applies to the sales price of each
12 aircraft, boat, railway car, or locomotive sold at retail, including all
13 accessories attached to the item when it is delivered to the purchaser.
14 The maximum tax applicable to the sale of each boat is one thousand
15 five hundred dollars (\$1,500) per article."

16 **SECTION 2.** This act becomes effective July 1, 2002, and applies to sales
17 made on or after that date.