

**NORTH CAROLINA GENERAL ASSEMBLY  
LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** Senate Bill 170  
**SHORT TITLE:** Eliminate Double Vehicle Tax  
**SPONSOR(S):** Senator Odom  
**FISCAL IMPACT:**   **Expenditures:**    Increase ( )        Decrease ( )  
                          **Revenues:**            Increase ( )        Decrease (X)  
                          No Impact ( )  
                          No Estimate Available ( )

**FUND AFFECTED:**    General Fund ( )    Highway Fund ( )    Local Govt. ( )  
                          Other Funds (X) Highway Trust Fund

**BILL SUMMARY:** The bill allows a credit against the highway use tax for vehicles formerly titled in this state and now titled in another state that are reapplying for a North Carolina title. The credit amount is equal to the use tax paid on the same vehicle within the past year.

**EFFECTIVE DATE:** July 1, 1995

**PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED:** Division of Motor Vehicles in the Department of Transportation

**FISCAL IMPACT**

<u>FY96</u>	<u>FY97</u>	<u>FY98</u>	<u>FY99</u>
<u>FY00</u>			

**REVENUES**

**GENERAL FUND**

**HIGHWAY FUND**

**HIGHWAY TRUST FUND** (\$15,000) (\$15,000) (\$15,000) (\$15,000) (\$15,000)

**LOCAL**

**EXPENDITURES**   None

**POSITIONS:**       None

**ASSUMPTIONS AND METHODOLOGY:** The Division of Motor Vehicles does not capture data on this type of title transaction. With full reciprocity of registration granted to students, the military, and people on short-term job assignments, the number of title transactions that fall under this exemption is very small and is estimated by the Division to be 100 or less annually. The maximum tax for an out-of-state title transaction is \$150.

**SOURCES OF DATA:** Division of Motor Vehicles

**TECHNICAL CONSIDERATIONS:** The Vehicle Registration Section will implement their new computer system in March 1996. The new system will enable branch agents to track previous use tax payments on the same vehicle. They do not have that capability now.

**FISCAL RESEARCH DIVISION    733-4910**

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**DATE:** May 22, 1995



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