

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 69

Short Title: Repeal Highway Use Tax Transfer.

(Public)

Sponsors: Representatives Bowie, Cansler; Allred, Baker, Brown, Buchanan, Creech, Dockham, Gillespie, Hiatt, Holmes, Justus, Kiser, McComas, McCombs, Morris, Preston, Rayfield, Sherrill, Walend, and G. Wilson.

Referred to: Finance.

February 11, 1999

A BILL TO BE ENTITLED

1 AN ACT TO REPEAL THE ANNUAL TRANSFER OF ONE HUNDRED SEVENTY
2 MILLION DOLLARS IN HIGHWAY USE TAX COLLECTIONS FROM THE
3 HIGHWAY TRUST FUND TO THE GENERAL FUND AND TO PROVIDE THAT
4 THOSE FUNDS SHALL BE USED BY THE DEPARTMENT OF
5 TRANSPORTATION FOR HIGHWAY MAINTENANCE.
6

7 The General Assembly of North Carolina enacts:

8 Section 1. G.S. 105-187.9 reads as rewritten:

9 **"§ 105-187.9. Disposition of tax proceeds.**

10 Taxes collected under this Article at the rate of eight percent (8%) shall be credited to
11 the General Fund. Taxes collected under this Article at the rate of three percent (3%)
12 shall be credited to the North Carolina Highway Trust Fund. ~~In each fiscal year the State~~
13 ~~Treasurer shall transfer the sum of one hundred seventy million dollars (\$170,000,000) of the~~
14 ~~taxes deposited in the Trust Fund to the General Fund. The transfer of funds authorized by this~~
15 ~~section may be made by transferring one-fourth of the amount at the end of each quarter in the~~
16 ~~fiscal year or by transferring the full amount annually on July 1 of each fiscal year, subject to the~~
17 ~~availability of revenue."~~

18 Section 2. G.S. 136-176 is amended by adding a new subsection to read:

1 "(e) The Department of Transportation shall annually use one hundred seventy
2 million dollars (\$170,000,000) of the funds deposited in the Trust Fund pursuant to
3 subdivision (a)(2) of this section for highway maintenance purposes."

4 Section 3. This act is effective when it becomes law.