

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009**

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**SENATE BILL 543**

Short Title: Durham Motor Vehicle Tax. (Local)

Sponsors: Senators McKissick; and Atwater.

Referred to: Finance.

March 12, 2009

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE CITY OF DURHAM TO COLLECT A MUNICIPAL TAX FOR PUBLIC TRANSPORTATION OF TEN DOLLARS ON VEHICLES RESIDENT IN THE CITY.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 1 of S.L. 2003-329, Section 1 of S.L. 2004-103, and S.L. 2008-31 are repealed.

**SECTION 2.(a)** Article 3 of the Charter of the City of Durham, being Chapter 671 of the Session Laws of 1975 is repealed, and a new Article is added to read:

"Article 3A. Other Taxes.

"Sec. 46.1. Municipal Vehicle Tax for Public Transportation. The City of Durham may levy a tax of not more than five dollars (\$5.00) upon any vehicle resident in the city. The tax authorized in this section is in addition to the general municipal vehicle tax authorized by G.S. 20-97. The proceeds of the tax may be used only for financing, constructing, operating, and maintaining local public transportation systems. The City of Durham shall use the proceeds of the tax to supplement and not to supplant or replace existing funds or other resources for public transportation systems."

**SECTION 2.(b)** G.S. 20-97(c) reads as rewritten:

"(c) Municipal Vehicle Tax for Public Transportation. – A city or town that operates a public transportation system as defined in G.S. 105-550 may levy a tax of not more than five dollars (\$5.00) per year upon any vehicle resident in the city or town. The tax authorized by this subsection is in addition to the tax authorized by subsection (b) of this section. A city or town may not levy a tax under this section, however, to the extent the rate of tax, when added to the general motor vehicle taxes levied by the city or town under subsection (b) of this section and under any local legislation, would exceed thirty dollars (\$30.00) per year. The proceeds of the tax may be used only for financing, constructing, operating, and maintaining local public transportation systems. Cities and towns shall use the proceeds of the tax to supplement and not to supplant or replace existing funds or other resources for public transportation systems. This subsection does not apply to the City of Durham or to the cities and towns in Gaston County."

**SECTION 3.** Section 1 of this act is effective when the City of Durham levies a tax under Section 2 of this act. Sections 2 and 3 of this act are effective when they become law.

