

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE BILL 1278

Short Title: Ethanol Tax Exemption.

(Public)

Sponsors: Senator Snow.

Referred to: Finance.

March 26, 2007

1 A BILL TO BE ENTITLED
2 AN ACT TO PROVIDE AN EXEMPTION FROM THE MOTOR FUELS EXCISE
3 TAX FOR ETHANOL PRODUCED BY INDIVIDUAL PRODUCER-USERS.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. G.S. 105-449.88 is amended by adding a new subdivision to
6 read:

7 "§ 105-449.88. Exemptions from the excise tax.

8 The excise tax on motor fuel does not apply to the following:

9 ...

10 (9) Fuel grade ethanol produced by individual producer-users who have
11 received permits from the State and federal governments for the
12 production of fuel grade ethanol. This exemption does not apply to
13 gasoline that is blended with the ethanol exempt under this
14 subdivision."

15 SECTION 2. G.S. 119-18 is amended by adding a new subsection to read:

16 "(d) Exemption. – The tax imposed by this section does not apply to fuel grade
17 ethanol produced by individual producer-users who have received permits from the
18 State and federal governments for the production of fuel grade ethanol. This exemption
19 does not apply to gasoline that is blended with the ethanol exempt under this
20 subsection."

21 SECTION 3. G.S. 18B-203 is amended by adding a new subsection to read:

22 "(c) Powers Withheld From the Commission. – The Commission shall have no
23 authority over the licensing of ethanol made for the purpose of being burned in a motor
24 vehicle."

25 SECTION 4. This act becomes effective July 1, 2007.