## **GENERAL ASSEMBLY OF NORTH CAROLINA** SESSION 2011

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## HOUSE DRH80080-ME-59A (03/11)

Short Title:	Cap Motor Fuel Excise Tax Rate.	(Public)
Sponsors:	Representatives McElraft, Killian, Hager, and Stone (Primary Sponsors)	•
Referred to:		

## A BILL TO BE ENTITLED

2 AN ACT TO PROVIDE A STATUTORY CAP FOR THE MOTOR FUEL EXCISE TAX 3 RATE.

4 The General Assembly of North Carolina enacts: 5

SECTION 1. G.S. 105-449.80(a) reads as rewritten:

Rate. - The motor fuel excise tax rate is a flat rate of seventeen and one-half cents 6 "(a) 7  $(17 \ 1/2 c)$  a gallon plus a variable wholesale component. The variable wholesale component is either three and one-half cents  $(3 \ 1/2 c)$  a gallon or seven percent (7%) of the average wholesale 8 9 price of motor fuel for the applicable base period, whichever is greater, greater, but subject to a maximum of fifteen cents  $(15\phi)$  per gallon. 10

11 The two base periods are six-month periods; one ends on September 30 and one ends on March 31. The Secretary must set the tax rate twice a year based on the wholesale price for 12 each base period. A tax rate set by the Secretary using information for the base period that ends 13 14 on September 30 applies to the six-month period that begins the following January 1. A tax rate set by the Secretary using information for the base period that ends on March 31 applies to the 15 16 six-month period that begins the following July 1."

**SECTION 2.** This act becomes effective July 1, 2011, and applies to taxes imposed 17 18 on or after that date.



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