

GENERAL ASSEMBLY OF NORTH CAROLINA

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SENATE BILL 128  
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Finance Committee Substitute Adopted 3/25/93

Short Title: Highway Use Tax Exemptions.

(Public)

Sponsors:

Referred to:

February 15, 1993

A BILL TO BE ENTITLED

AN ACT TO EXEMPT CERTAIN TRANSFERS OF VEHICLES FROM THE HIGHWAY USE TAX, TO REIMBURSE THE HIGHWAY TRUST FUND FOR REVENUE THAT WOULD OTHERWISE BE LOST AS A RESULT OF THE EXEMPTIONS, AND TO INCREASE REVENUES TO PROVIDE FUNDS TO MAKE THE REIMBURSEMENT.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-187.6(a) reads as rewritten:

"(a) Full Exemptions. – The tax imposed by this Article does not apply when a certificate of title is issued as the result of a transfer of a motor vehicle:

- (1) To the insurer of the motor vehicle under G.S. 20-109.1 because the vehicle is a salvage vehicle.
- (2) To either a manufacturer, as defined in G.S. 20-286, or a motor vehicle retailer for the purpose of resale.
- (3) To the same owner to reflect a change or correction in the owner's name.
- (4) By will or intestacy.
- (5) By a conveyance-gift between a husband and ~~wife or wife,~~ a parent and ~~child-child,~~ or a stepparent and a stepchild.
- (6) By a distribution of marital property as a result of a divorce.

1           (7) To a handicapped person from the Department of Human Resources  
2           after the vehicle has been equipped by the Department for use by the  
3           handicapped.

4           (8) To a local board of education for use in the driver education program  
5           of a public school when the motor vehicle is transferred:

6           a. By a retailer and is to be transferred back to the retailer within  
7           300 days after the transfer to the local board.

8           b. By a local board of education."

9           Sec. 2. G.S. 20-166.1(i) reads as rewritten:

10          "(i) All collision reports, including supplemental reports, above mentioned,  
11          except those made by State, city or county police, shall be without prejudice and shall  
12          be for the use of the Division and shall not be used in any manner as evidence, or for  
13          any other purpose in any trial, civil or criminal, arising out of such collision except that  
14          the Division shall furnish upon demand of any court a properly executed certificate  
15          stating that a particular collision report has or has not been filed with the Division solely  
16          to prove a compliance with this section.

17          The reports made by State, city or county police and medical examiners, but no other  
18          reports required under this section, shall be subject to the inspection of members of the  
19          general public at all reasonable times, ~~and the Division shall furnish a certified copy of any~~  
20          ~~such report to any member of the general public who shall request the same, upon receipt of a~~  
21          ~~fee of four dollars (\$4.00) certified copy, or the Division is authorized to furnish without charge~~  
22          ~~to departments of the governments of the United States, states, counties, and cities certified~~  
23          ~~copies of such collision reports for official use. times.~~ The Division shall give a certified  
24          copy of one of these reports to a member of the general public who requests a copy and  
25          pays the fee set in G.S. 20-42 for a certified copy of a document.

26          Nothing herein provided shall prohibit the Division from furnishing to interested  
27          parties only the name or names of insurers and insured and policy number shown upon  
28          any reports required under this section."

29          Sec. 3. G.S. 20-42(b) reads as rewritten:

30          "(b) The Commissioner and officers of the Division designated by the  
31          Commissioner may prepare under the seal of the Division and deliver upon request a  
32          certified copy of any document of the Division, charging a fee of five dollars (\$5.00) for  
33          each document certified. A certified copy shall be admissible in any proceeding in any  
34          court in like manner as the original thereof, without further certification. The  
35          certification fee does not apply to a document furnished ~~to State officials or to county,~~  
36          ~~municipal, or court officials of this State for official use.~~ use to a judicial official or to an  
37          official of the federal government, a state government, or a local government."

38          Sec. 4. G.S. 20-50(b) reads as rewritten:

39          "(b) The Division may upon receipt of proper application upon a form supplied by  
40          the Division and an accompanying fee of ~~three dollars (\$3.00)~~ five dollars (\$5.00) grant a  
41          10-day temporary registration marker subject to the following limitations and  
42          conditions:

- 1 (1) Temporary 10-day registration markers shall be issued only upon  
 2 proper proof that the applicant has met the applicable financial  
 3 responsibility requirements.
- 4 (2) Temporary 10-day registration markers shall expire 10 days from the  
 5 date of issuance.
- 6 (3) Temporary 10-day registration markers may be used only on the  
 7 vehicle for which issued and may not be transferred, loaned or  
 8 assigned to another.
- 9 (4) In the event a temporary 10-day registration marker is lost or stolen,  
 10 notice shall be furnished to the Division.
- 11 (5) The Commissioner shall have the power to make such rules and  
 12 regulations not inconsistent herewith as he shall deem necessary for  
 13 the purpose of carrying out the provisions of this section.
- 14 (6) The provisions of G.S. 20-63, 20-71, 20-110 and 20-111 shall apply in  
 15 like manner to temporary 10-day registration markers as is applicable  
 16 to nontemporary plates not by their nature rendered inapplicable."

17 Sec. 5. G.S. 20-66 reads as rewritten:

18 **"§ 20-66. Renewal of registration; semipermanent plates issued; renewal sticker**  
 19 **annually; fees.**

20 (a) Application for renewal of a vehicle registration shall be made by the owner  
 21 upon proper application and by payment of the registration fee for such vehicle, as  
 22 provided by law. The Division may receive and grant applications for renewal of  
 23 registration at any time prior to expiration of registration.

24 (b) ~~For the registration period beginning January 1, 1975, the Division, upon~~  
 25 ~~proper application for renewal of registration for private passenger motor vehicles, shall~~  
 26 ~~issue a new registration plate and registration card. For the registration period~~  
 27 ~~beginning January 1, 1976, and all subsequent registration periods, the Division, upon~~  
 28 ~~application for renewal of registration, shall, in lieu of a new registration plate, issue~~  
 29 ~~one or more stickers, tabs or other suitable devices denoting the registration period for~~  
 30 ~~which issued; provided that for the registration periods beginning January 1, 1978, and~~  
 31 ~~thereafter, the Division may, as it deems advisable in the discretion of the~~  
 32 ~~Commissioner, issue new registration plates together with such stickers, tabs or other~~  
 33 ~~devices. When the Division renews the registration of a vehicle, it must issue a new~~  
 34 registration card for the vehicle and either a new registration plate or a registration  
 35 renewal sticker. The Division may not renew a registration plate for a vehicle by means  
 36 of a renewal sticker unless the Division is authorized to use that method of renewal.  
 37 The Division may renew a registration plate issued for the following types of vehicles  
 38 by means of a renewal sticker:

- 39 (1) Motorcycles.
- 40 (2) Private passenger vehicles.
- 41 (3) U-drive-it passenger vehicles.
- 42 (4) Property hauling vehicles licensed for 4,000 pounds gross weight.
- 43 (5) Vehicles registered under the International Registration Plan.
- 44 (6) Trailers.

1       ~~(b1) For renewal periods beginning January 1, 1978, and thereafter, renewal~~  
2 ~~registrations of private hauler trucks licensed for 4,000 pounds gross weight,~~  
3 ~~motoreycles, U drive it passenger vehicles and trailers may be made by issuance of~~  
4 ~~stickers, tabs, or other devices in lieu of new registration plates, or in combination with~~  
5 ~~new registration plates, at the discretion of the Commissioner. Such stickers, tabs or~~  
6 ~~other devices shall show the period of validity of registration. This provision shall not~~  
7 ~~apply to trucks licensed as common carriers, for hire trucks, rental trucks or contract~~  
8 ~~carrier trucks.~~

9       ~~(c) Stickers, tabs or other devices~~ A registration renewal sticker issued hereunder  
10 ~~shall by the Division must be displayed as on the registration plate that it renews in the~~  
11 ~~place prescribed by the Commissioner. Commissioner and must indicate the period for~~  
12 ~~which it and the registration plate on which it is displayed are valid. Except where the~~  
13 ~~physical differences between the stickers, tabs, or devices and registration plates by their~~  
14 ~~nature a registration renewal sticker and a registration plate render any a provision of this~~  
15 ~~Chapter inapplicable, all the provisions of this Chapter relating to registration plates~~  
16 ~~shall apply to stickers, tabs or devices.~~ registration renewal stickers.

17       (d) The Division may also provide for the issuance of license plates for motor  
18 vehicles with the dates of expiration thereof to vary from month to month so as to  
19 approximately equalize the number that expire during the registration year.

20       (e) A vehicle license fee shall be computed by dividing the annual license fee by  
21 12 and multiplying the quotient by the number of months remaining prior to the end of  
22 the month of expiration of the registration. Amounts so computed shall be rounded to  
23 the nearest multiple of twenty-five cents (25¢).

24       (f) No vehicle owner shall be required to pay the tax required by G.S. 20-88.1 at  
25 a rate greater than the annual rate prescribed in G.S. 20-88.1, because of Division of  
26 Motor Vehicles' procedures for implementing this subsection. Compliance with this  
27 restriction may be accomplished by computing the tax for a portion of a year by  
28 dividing the annual amount by 12 and multiplying the quotient by the number of months  
29 remaining prior to the end of the month of expiration of the registration. Amounts so  
30 computed shall be rounded to the nearest multiple of twenty-five cents (25¢).

31       (g) Registration of all vehicles required to be registered under the staggered  
32 system shall expire at midnight on the last day of the month designated on the ~~validation~~  
33 ~~sticker, tab or other device issued by the Division of Motor Vehicles to validate that~~  
34 ~~registration.~~ registration renewal sticker. Provided, however, that it shall not be unlawful  
35 to continue to operate any vehicle upon the highways of this State after the expiration of  
36 the registration of ~~said vehicle, registration card and registration plate~~ the vehicle during the  
37 15-day period, inclusive of the fifteenth day immediately following the last day of the  
38 month designated on the ~~validation sticker, tab or other device issued by the Division of~~  
39 ~~Motor Vehicles~~ registration renewal sticker to validate that registration if the registration  
40 plate ~~validation sticker, tab or other device~~ renewal sticker is registered to the vehicle prior  
41 to the first day of expiration month.

42       (h) Registration of all vehicles not required to be registered under the staggered  
43 system shall expire at midnight on the thirty-first day of December of each year:  
44 Provided, however, that it shall not be unlawful to continue to operate any vehicle upon

1 the highways of this State after the expiration of the registration of said vehicle,  
2 registration card and registration plate during the period between the thirty-first day of  
3 December and the fifteenth day of February, inclusive, if the license plate is registered  
4 to the vehicle on which it is being used prior to the thirty-first day of December.  
5 Provided further that the fee required under G.S. 20-88.1 shall be paid and collected in  
6 its entirety at any time such vehicles are registered and is not to be prorated.

7 (i) When the Division receives an application under subsection (a) for the  
8 renewal of registration before the current registration expires, the Division shall grant  
9 the application if it is made for the purpose of consolidating the property taxes payable  
10 by the applicant on classified motor vehicles, as defined in G.S. 105-330. The  
11 registration fee for a motor vehicle whose registration cycle is changed under this  
12 subsection shall be reduced by a prorated amount. The prorated amount is one-twelfth  
13 of the registration fee in effect when the motor vehicle's registration was last renewed  
14 multiplied by the number of full months remaining in the motor vehicle's current  
15 registration cycle, rounded to the nearest multiple of twenty-five cents (25¢)."

16 Sec. 6. G.S. 20-109.1(e) reads as rewritten:

17 "(e) The Commissioner shall charge a fee of ten dollars (\$10.00) for issuing a title  
18 or forms as required by this section. Fees collected under this section shall be credited  
19 to the Highway Trust Fund."

20 Sec. 7. This act becomes effective July 1, 1993.