

GENERAL ASSEMBLY OF NORTH CAROLINA
1995 SESSION

CHAPTER 410
HOUSE BILL 504

AN ACT TO SUBTRACT ANY TRADE-IN ALLOWANCE IN CALCULATING
THE ALTERNATIVE HIGHWAY USE TAX ON LEASED VEHICLES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-187.5(b) reads as rewritten:

"(b) Rate. – The tax rate on the gross receipts from the short-term lease or rental of a motor vehicle is eight percent (8%) and the tax rate on the gross receipts from the long-term lease or rental of a motor vehicle is three percent (3%). Gross receipts does not include the amount of any allowance given for a motor vehicle taken in trade as a partial payment on the lease or rental price. The maximum tax in G.S. 105-187.3(a) applies to a continuous lease or rental of a motor vehicle to the same person."

Sec. 2. This act becomes effective October 1, 1995, and applies to certificates of title issued on or after that date.

In the General Assembly read three times and ratified this the 10th day of July, 1995.

Dennis A. Wicker
President of the Senate

Harold J. Brubaker
Speaker of the House of Representatives