

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

**SENATE BILL 407  
RATIFIED BILL**

AN ACT TO AUTHORIZE AN INCREASE IN THE VEHICLE TAX IN MUNICIPALITIES LOCATED WHOLLY OR PARTLY IN CABARRUS COUNTY AND TO EXTEND A MORATORIUM ON ANNEXATIONS INTO THE COUNTY OF CABARRUS BY MUNICIPALITIES LOCATED PRIMARILY OUTSIDE THE COUNTY.

The General Assembly of North Carolina enacts:

**SECTION 1.(a)** G.S. 20-97(b) reads as rewritten:

"(b) General Municipal Vehicle Tax. – Cities and towns may levy a tax of not more than ~~five dollars (\$5.00)~~ twenty dollars (\$20.00) per year upon any vehicle resident in the city or town. The proceeds of the tax may be used for any lawful purpose."

**SECTION 1.(b)** This section applies only to municipalities located wholly or partially in Cabarrus County. Any funds generated by a tax of over five dollars (\$5.00) under this section shall be placed into a separate fund for transportation uses within the municipality and shall not be expended for any other purpose.

**SECTION 2.** Section 3 of S.L. 2003-326 reads as rewritten:

"**SECTION 3.** Section 1 of this act is effective when it becomes law and expires June 30, ~~2005-2006~~. The remainder of this act is effective when it becomes law."

**SECTION 3.** This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 28<sup>th</sup> day of June, 2005.

---

Marc Basnight  
President Pro Tempore of the Senate

---

James B. Black  
Speaker of the House of Representatives