

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007**

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**SENATE BILL 1437**

Short Title: Exempt VFD from Highway Use Tax. (Public)

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Sponsors: Senators Snow; and Atwater.

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Referred to: Finance.

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March 26, 2007

1 A BILL TO BE ENTITLED  
2 AN ACT TO ENSURE VOLUNTEER FIRE DEPARTMENTS ARE FULLY  
3 EXEMPT FROM THE HIGHWAY USE TAX IF THEY ARE EXEMPT FROM  
4 STATE INCOME TAX , EMPLOY NO MORE THAN TWO PAID EMPLOYEES,  
5 AND ARE NOT PART OF A LOCAL GOVERNMENT.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 105-187.6(9) reads as rewritten:

8 **"§ 105-187.6. Exemptions from highway use tax.**

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

11 ...

12 (9) To a volunteer fire department or volunteer rescue squad that is not  
13 part of a unit of local government, has no more than two paid  
14 employees, and is exempt from State income tax under  
15 G.S. 105-130.11, when the motor vehicle is one of the following:

- 16 a. A fire truck, a pump truck, a tanker truck, or a ladder truck used  
17 to suppress fire.  
18 b. A four-wheel drive vehicle intended to be mounted with a water  
19 tank and hose and used for forest fire fighting.  
20 c. An emergency services vehicle.

21 This subdivision shall apply to a volunteer fire department or volunteer  
22 rescue squad that is housed in a building or structure provided by a  
23 unit of government, whether rent is charged or not.

24 ...."

25 **SECTION 2.** This act becomes effective January 1, 2007.