

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011**

S

1

SENATE BILL 235

Short Title: Suspend Motor Fuel Excise Tax With an Offset. (Public)

Sponsors: Senators Rouzer; Forrester, Jackson, and Tucker.

Referred to: Finance.

March 8, 2011

A BILL TO BE ENTITLED
AN ACT TO SUSPEND THE MOTOR FUEL EXCISE TAX WITH AN OFFSET.

Whereas, the economic downturn has adversely affected the citizens of the State of North Carolina; and

Whereas, the high rate of tax paid on motor fuels further depletes the limited economic resources of the citizens needed for necessities; and

Whereas, the revenue raised by the motor fuel excise tax is more than \$3,000,000,000 less than tax expenditures in the form of credits, refunds, exemptions, and deductions; and

Whereas, the State could fund road maintenance and construction by eliminating some of the tax expenditures instead of imposing a motor fuel tax on its citizenry; and

Whereas, it is the intent of the legislature to work with the Departments of Commerce and Revenue to identify economic incentives and other tax expenditures to offset, in an equal amount, the exact loss to the Highway Fund occasioned by the revenue lost by a repeal of the motor fuel tax; Now, therefore,

The General Assembly of North Carolina enacts:

SECTION 1. Part 3 of Article 36C of Chapter 105 of the General Statutes is repealed.

SECTION 2. G.S. 105-123 is repealed.

SECTION 3. G.S. 105-449.38 is repealed.

SECTION 4. G.S. 105-449.60(32) is repealed.

SECTION 5. G.S. 105-449.90(b) and G.S. 105-449.90(d) (6) and (7) are repealed.

SECTION 6. G.S. 105-449.106 and G.S. 105-449.107 are repealed.

SECTION 7. G.S. 105-449.136 is repealed.

SECTION 8. G.S. 150B-2 reads as rewritten:

"§ 150B-2. Definitions.

As used in this Chapter:

...

(8a) "Rule" means any agency regulation, standard, or statement of general applicability that implements or interprets an enactment of the General Assembly or Congress or a regulation adopted by a federal agency or that describes the procedure or practice requirements of an agency. The term includes the establishment of a fee and the amendment or repeal of a prior rule. The term does not include the following:

...



1 j. Establishment of the interest rate that applies to tax assessments
2 under ~~G.S. 105-241.21 and the variable component of the excise tax~~
3 ~~on motor fuel under G.S. 105-449.80.~~ G.S. 105-241.21.

4 "

5 **SECTION 9.** This act becomes effective July 1, 2011.