

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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SENATE DRS25128-TD-16 (03/02)

Short Title: Equalize Tax on Propane Used as a Motor Fuel. (Public)

Sponsors: Senator B. Jackson (Primary Sponsor).

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO EQUALIZE THE TAXATION OF LIQUEFIED PROPANE GAS WHEN USED  
3 AS A MOTOR FUEL.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-449.130 is amended by adding a new subdivision to read:

6 "(1h) Gas gallon equivalent of liquefied propane gas. – The energy equivalent of  
7 5.75 pounds of liquefied propane gas."

8 **SECTION 2.** G.S. 105-449.136(a) reads as rewritten:

9 "(a) Rate. – A tax at the motor fuel rate is imposed on liquid alternative fuel used to  
10 operate a highway vehicle by means of a vehicle supply tank that stores fuel only for the  
11 purpose of supplying fuel to operate the vehicle. The tax on liquefied natural gas is imposed on  
12 each diesel gallon equivalent of liquefied natural gas. The tax on liquefied propane gas is  
13 imposed on each gas gallon equivalent of liquefied propane gas. A tax at the equivalent of the  
14 motor fuel rate is imposed on all other alternative fuel used to operate a highway vehicle. The  
15 tax on compressed natural gas is imposed on each gas gallon equivalent of compressed natural  
16 gas. The Secretary must determine the equivalent rate for all other non-liquid alternative fuels."

17 **SECTION 3.** This act becomes effective July 1, 2015.

