

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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SENATE BILL 894  
Finance Committee Substitute Adopted 6/15/95

Short Title: Community College Fuel Exemption.

(Public)

Sponsors:

Referred to:

May 1, 1995

A BILL TO BE ENTITLED

AN ACT TO RESTORE THE MOTOR FUEL TAX EXEMPTION FOR FUEL USED  
IN VEHICLES OWNED BY A COMMUNITY COLLEGE AND TO ALLOW  
SANITARY DISTRICTS A REFUND OF TAX PAID ON MOTOR FUEL.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-449A reads as rewritten:

"§ 105-449A. Exemption of motor fuel used in State or community college vehicles.

(a) ~~Motor fuel purchased by the State for use in State-owned motor vehicles for State business.~~ The following motor fuel is exempt from the excise tax levied by this Article.

(1) Motor fuel purchased by the State for use in State-owned motor vehicles operated for State business.

(2) Motor fuel purchased by a board of trustees of a community college for use in vehicles owned by the community college and operated for community college business.

This exemption applies only if an invoice for the fuel stating the State agency or community college board of trustees to whom the fuel was delivered, the price per gallon of the fuel excluding the tax, and the kind and quantity of fuel sold is furnished to the Secretary of Revenue. A person who holds a State contract for the sale of motor fuel to be

1 ~~used in State-owned motor vehicles for State business~~ that is eligible for the exemption  
2 ~~granted by this section~~ shall invoice motor fuel sold to the State for this purpose under the  
3 ~~contract~~ at the prevailing contract price, excluding the tax, and a tax. A person who sells  
4 ~~motor fuel that is eligible for the exemption granted by this section~~ but does not hold a  
5 ~~State contract for the sale~~ for the sale of motor fuel to be used in State-owned motor vehicles  
6 for State business but who sells motor fuel for this purpose in quantities not sufficient to require  
7 a State contract shall invoice motor fuel sold to the State at the lowest informal bid price,  
8 excluding the tax.

9 (b) A person ~~authorized to sell~~ who sells motor fuel to the State that is exempt under  
10 ~~this section and~~ who paid the tax levied by this Article on the fuel sold to the State for use  
11 ~~in State-owned motor vehicles for State business~~ may obtain a refund of the tax paid on the  
12 fuel upon filing an application for refund with the Secretary of Revenue and attaching an  
13 invoice, containing the information required in subsection (a) of this section, to the  
14 refund application. Upon receipt of a proper application and invoice, the Secretary shall  
15 refund the amount of tax paid.

16 (c) A person who makes a false invoice or application for refund under this section  
17 shall be guilty of a Class 1 misdemeanor."

18 Sec. 2. G.S. 105-446.1 reads as rewritten:

19 **"§ 105-446.1. Refund of tax paid on motor fuel by certain governmental entities and**  
20 **nonprofit organizations.**

21 (a) A governmental entity or a nonprofit organization listed below that purchases  
22 and uses motor fuel may receive a quarterly refund, for the tax paid during the preceding  
23 quarter, at a rate equal to the amount of the flat cents-per-gallon rate plus the variable  
24 cents-per-gallon rate in effect during the quarter for which the refund is claimed, less one  
25 cent (1¢) per gallon. Any of the following entities may receive a refund under this  
26 section:

- 27 (1) Repealed by Session Laws 1991 (Regular Session, 1992), c. 913, s. 2,  
28 effective July 10, 1992.
- 29 (2) A county or a municipal corporation.
- 30 (3) A private, nonprofit organization that transports passengers under  
31 contract with or at the express designation of a unit of local government.
- 32 (4) A volunteer fire department.
- 33 (5) A volunteer rescue squad.
- 34 (6) A sheltered workshop recognized by the Department of Human  
35 Resources.
- 36 (7) A sanitary district.

37 (b) An application for a refund allowed under this section must be made in  
38 accordance with G.S. 105-440 and must be signed by the chief executive officer of the  
39 entity. The chief executive officer of a ~~county or municipal corporation~~ governmental entity  
40 is the officer designated by the governing body of the ~~county or municipal corporation,~~  
41 entity, such as the chair of a board of county commissioners or the mayor of a city. The  
42 chief executive officer of a nonprofit organization is the president of the organization or

1 another officer of the organization designated in the charter or by-laws of the  
2 organization."

3           Sec. 3 This act becomes effective July 1, 1995.