

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2005**

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**HOUSE BILL 1906**

Short Title: Home Heating Fuel Tax Exemption. (Public)

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Sponsors: Representatives Frye, Moore (Primary Sponsors); Allred, Brown, Capps, Culp, Current, Daughtridge, Folwell, Gillespie, Grady, Hilton, Hollo, Holloway, Lewis, McGee, Pate, Preston, Rayfield, Setzer, Starnes, Vinson, and Walker.

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Referred to: Finance.

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May 11, 2006

A BILL TO BE ENTITLED

1 AN ACT EXEMPTING FUEL SOLD TO PERSONS FOR RESIDENTIAL  
2 PURPOSES FROM SALES AND USE TAX AND EXEMPTING PIPED  
3 NATURAL GAS SOLD TO PERSONS FOR RESIDENTIAL PURPOSES FROM  
4 EXCISE TAX .  
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6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** G.S. 105-164.13(44) reads as rewritten:

8 "(44) Piped natural gas. —~~This item is exempt because it is taxed under~~  
9 ~~Article 5E of this Chapter.~~"

10 **SECTION 2.** G.S. 105-164 is amended by adding a new subdivision to read:

11 "(44a) Sales of fuel, other than electricity, to persons for residential  
12 purposes."

13 **SECTION 3.** G.S. 105-187.41(a) reads as rewritten:

14 "(a) Scope. – An excise tax is imposed on piped natural gas received for  
15 consumption in this State for purposes other than residential purposes. This tax is  
16 imposed in lieu of a sales and use tax and a percentage gross receipts tax on piped  
17 natural gas."

18 **SECTION 4.** Section 2 of this act becomes effective July 1, 2006, and  
19 applies to sales made on or after that date. Section 3 of this act becomes effective July 1,  
20 2006, and applies to billing periods beginning on or after that date. The remainder of  
21 this act is effective when it becomes law.