## GENERAL ASSEMBLY OF NORTH CAROLINA SESSION 2005

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## HOUSE DRH70684-LYx-285A (1/23)

	Short Title: Motorsports Incentives. (Pr			(Public)	
	Sponsors: Representative Ray.				
	Referred to:				
•					
1	A BILL TO BE ENTITLED				
2	AN ACT TO PROVIDE FOR A SALES AND USE TAX INCENTIVE FOR THE				
3	MOTORSPORTS INDUSTRY AS RECOMMENDED BY THE GOVERNOR'S				
4	MOTORSPORTS ADVISORY COUNCIL.				
5	The General Assembly of North Carolina enacts:				
6	<b>SECTION 1.</b> G.S. 105-164.3 reads as rewritten:				
7	"§ 105-164.3. Definitions.				
8	The following definitions apply in this Article:				
9					
10	(30a)		sional motorsports racing team. – A racing to	eam that satisfies all	
11		of the	following conditions:		
12		<u>a.</u>	The team is operated for profit.		
13		<u>b.</u>	A majority of the revenues of the tear	m is derived from	
14			sponsorship of the racing team and prize mo	oney.	
15		<u>c.</u>	The team competes in at least sixty-six pe	ercent (66%) of the	
16			races sponsored in a single season by a mot	corsports sanctioning	
17			body.		
18	(30b)	Prosth	etic device A replacement, corrective, o	or supporting device	
19		worn on or in the body that meets one of the conditions of this			
20		subdivision. The term includes repair and replacement parts for the			
21		device.			
22		a.	Artificially replaces a missing portion of the	e body.	
23			Prevents or corrects a physical deformity or	•	
24			Supports a weak or deformed portion of the		
25	"			•	
26	SEC'	<b>SECTION 2.</b> G.S. 105-164.14(l) reads as rewritten:			

"(1) Aviation Fuel for Motorsports Events. – A professional motorsports racing team or a motorsports sanctioning body is allowed a refund of the sales and use tax paid by it in this State on aviation fuel that is used to travel to or from a motorsports event in this State, to travel to a motorsports event in another state from a location in this State, or to travel to this State from a motorsports event in another state. For the purposes of this subsection, a "motorsports event" includes a motorsports race, a motorsports sponsor event, and motor sports testing. A request for a refund must be in writing and must include any information and documentation the Secretary requires. A request for a refund is due within six months after the end of the State's fiscal year. Refunds applied for after the due date are barred. This subsection is repealed for purchases made on or after January 1, 2007."

**SECTION 3.** G.S. 105-164.14 is amended by adding a new subsection to read:

"(m) Professional Motor Racing Vehicles. – A professional motorsports racing team is allowed a refund of the sales and use tax paid by it in this State on tangible personal property, other than tires or accessories, that comprises any part of a professional motor racing vehicle. For the purposes of this subsection, 'accessories' includes instrumentation, telemetry, consumables, and paint. A request for a refund must be in writing and must include any information and documentation the Secretary requires. A request for a refund is due within six months after the end of the State's fiscal year. Refunds applied for after the due date are barred."

**SECTION 4.** Section 62 of S.L. 2005-435 reads as rewritten:

"SECTION 62. This part becomes effective January 1, 2005, and applies to purchases made on or after that date. This partSection 61 is repealed effective for purchases made on or after January 1, 2007. This part does not affect the rights or liabilities of the State, a taxpayer, or another person arising under a statute amended or repealed by this part before the effective date of its amendment or repeal; nor does it affect the right to any refund or credit of a tax that accrued under the amended or repealed statute before the effective date of its amendment or repeal."

**SECTION 5.** This act becomes effective January 1, 2006, and applies to purchases made on or after that date. This act does not affect the rights or liabilities of the State, a taxpayer, or another person arising under a statute amended or repealed by this act before the effective date of its amendment or repeal; nor does it affect the right to any refund or credit of a tax that accrued under the amended or repealed statute before the effective date of its amendment or repeal.

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