

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007

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SENATE BILL 2113  
Finance Committee Substitute Adopted 6/12/08

Short Title: Air Carrier/Reduce Tax on Home Heating Fuel.

(Public)

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Sponsors:

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Referred to:

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May 28, 2008

A BILL TO BE ENTITLED

AN ACT TO EXTEND THE SUNSET FOR THE SALES TAX REFUND FOR SALES AND USE TAXES PAID BY AN INTERSTATE PASSENGER AIR CARRIER AND TO EQUALIZE THE TAX TREATMENT BETWEEN HEATING SOURCES BY REDUCING THE STATE SALES TAX ON HOME HEATING FUEL TO ONE PERCENT.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-164.14(a1) reads as rewritten:

"(a1) Passenger Plane Maximum. – An interstate passenger air carrier is allowed a refund of the net amount of sales and use tax paid by it in this State on fuel during a calendar year in excess of two million five hundred thousand dollars (\$2,500,000). The "net amount of sales and use tax paid" is the amount paid less the refund allowed under subsection (a) of this section. 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 calendar year for which the refund is claimed. The refund allowed by this subsection is in addition to the refund allowed in subsection (a) of this section. This subsection is repealed for purchases made on or after January 1, ~~2009-2011.~~"

**SECTION 2.** G.S. 105-164.4(a) is amended by adding a new subdivision to read:

"(9) The rate of one percent (1%) applies to the sales price of heating fuel delivered to a home for use in heating the home."

**SECTION 3.** G.S. 105-467(a) is amended by adding a new subdivision to read:

"(a) Sales Tax. – The sales tax that may be imposed under this Article is limited to a tax at the rate of one percent (1%) of the transactions listed in this subsection. The sales tax authorized by this Article does not apply to sales that are taxable by the State under G.S. 105-164.4 but are not specifically included in this subsection.

...

1           (8) The sales price of home heating fuel taxed under  
2           G.S. 105-164.4(a)(9)."

3           **SECTION 4.** The first paragraph of Section 4 of Chapter 1096 of the 1967  
4 Session Laws, as amended, is amended as follows:

5           (1) By deleting the word "and" immediately before the parenthetical "(6)";

6           (2) By deleting the period at the end of the last sentence in the first  
7 paragraph and substituting a semi-colon;

8           (3) By adding the following at the end of the first paragraph to read:

9 "and (7) The sales price of home heating fuel taxed under G.S. 105-164.4(a)(9)."

10           **SECTION 5.** Sections 2 through 4 of this act become effective October 1,  
11 2008, and apply to sales made on or after that date. The remainder of this act is effective  
12 when it becomes law.