

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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HOUSE DRH30312-MAx-219D (3/7)

Short Title: Adjust Matthews Motor Vehicle Tax. (Local)

Sponsors: Representative Gulley.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE TOWN OF MATTHEWS TO USE THE PROCEEDS
IN EXCESS OF FIVE DOLLARS, FROM THE MOTOR VEHICLE TAX
ASSESSED PURSUANT TO G.S. 20-97, FOR TRANSPORTATION-RELATED
PURPOSES ONLY.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 20-97(a), as applicable to the Town of Matthews under
S.L. 1985-1009, S.L. 1991- 209, and S.L. 1993-345, reads as rewritten:

"(a) All taxes levied under the provisions of this Article are intended as
compensatory taxes for the use and privileges of the public highways of this State, and
shall be paid by the Commissioner to the State Treasurer, to be credited by him to the
State Highway Fund; and no county or municipality shall levy any license or privilege
tax upon any motor vehicle licensed by the State of North Carolina, except that cities
and towns other than the City of Durham may levy not more than thirty dollars (\$30.00)
per year upon any vehicle resident therein, and except that the City of Durham may levy
not more than one dollar (\$1.00) per year upon any vehicle resident therein. Provided,
further, that cities and towns may levy, in addition to the amounts hereinabove provided
for, a sum not to exceed fifteen dollars (\$15.00) per year upon each vehicle operated in
such city or town as a taxicab. Provided, further that any tax levied in excess of twenty
dollars (\$20.00) per year per vehicle by the City of Charlotte ~~and any tax levied in
excess of five dollars (\$5.00) per year per vehicle by the Town of Matthews~~ shall be
dedicated to and may be expended only for public mass transit systems and mass
transit-related activities."

SECTION 2. G.S. 20-97(b) reads as rewritten:

"§ 20-97. Taxes credited to Highway Fund; municipal vehicle taxes.

...

1 (b) General Municipal Vehicle Tax. – Cities and towns may levy a tax of not
2 more than ~~five dollars (\$5.00)~~ thirty dollars (\$30.00) per year upon any vehicle resident
3 in the city or town. The proceeds of the tax up to five dollars (\$5.00) may be used for
4 any lawful purpose: road repair and improvements. The proceeds of these taxes derived
5 from any levy above five dollars (\$5.00) and up to thirty dollars (\$30.00) shall be used
6 exclusively for public mass transit systems and mass transit-related activities.

7"

8 **SECTION 3.** This act applies to the Town of Matthews only.

9 **SECTION 4.** This act is effective for taxes imposed for taxable years
10 beginning on or after July 1, 2007.