

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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HOUSE BILL 556
Second Edition Engrossed 4/5/89

Short Title: Allow Fuel Tax Compacts.

(Public)

Sponsors: Representative Hall.

Referred to: Finance.

March 14, 1989

A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE THE SECRETARY OF REVENUE TO ENTER INTO
2 COOPERATIVE AGREEMENTS WITH OTHER STATES TO ADMINISTER
3 THE FUEL TAX.
4

5 The General Assembly of North Carolina enacts:

6 Section 1. Article 36B of Chapter 105 is amended by adding a new section to
7 read:

8 "**§ 105-449.54. Cooperative agreements between states.**

9 The Secretary may enter into cooperative agreements with other states for exchange
10 of information in administering the tax imposed by this Article. No agreement,
11 arrangement, declaration, or amendment to an agreement is effective until stated in
12 writing and approved by the Secretary.

13 An agreement may provide for determining the base state for motor carriers, records
14 requirements, audit procedures, exchange of information, persons eligible for tax
15 licensing, defining qualified motor vehicles, determining if bonding is required,
16 specifying reporting requirements and periods, including defining uniform penalty and
17 interest rates for late reporting, determining methods for collecting and forwarding of
18 gasoline or other motor fuel taxes and penalties to another jurisdiction, and such other
19 provisions as will facilitate the administration of the agreement.

20 Notwithstanding the provisions of G.S. 105-259 to the contrary, the Secretary may,
21 as required by the terms of an agreement, forward to officials of another state any
22 information in the Department's possession relative to the use of gasoline or other motor
23 fuels by any motor carrier. The Secretary may disclose to officials of another state the

1 location of offices, motor vehicles, and other real and personal property of motor
2 carriers.

3 An agreement may provide for each state to audit the records of motor carriers based
4 in the state to determine if the gasoline or other motor fuel taxes due each state are
5 properly reported and paid. Each state shall forward the findings of the audits
6 performed on motor carriers based in the state to each state in which the carrier has
7 taxable use of gasoline or other motor fuels. For motor carriers not based in this State
8 who have taxable use of gasoline or other motor fuels in this State, the Secretary may
9 utilize the audit findings received from another state as the basis upon which to propose
10 assessments of gasoline or other motor fuel taxes against the carrier as though the audit
11 had been conducted by the Secretary. Penalties and interest shall be assessed at the
12 rates provided in the agreement.

13 No agreement entered into pursuant to this section may preclude the Department
14 from auditing the records of any motor carrier covered by this Chapter.

15 The provisions of Article 9 of this Chapter apply to any assessment or order made
16 under this section.

17 The Secretary may not enter into any agreement that would increase or decrease
18 taxes and fees imposed under Subchapter V of Chapter 105 of the General Statutes, and
19 any provision to the contrary is void."

20 Sec. 2. This act is effective upon ratification.