

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 1360\*  
Finance Committee Substitute Adopted 6/28/90

Short Title: Highway Use Tax/Sales Tax Changes.

(Public)

Sponsors:

Referred to:

May 23, 1990

A BILL TO BE ENTITLED

AN ACT TO REINSTATE SALES TAX ON CERTAIN VEHICLES AND VEHICLE PARTS, TO MODIFY THE HIGHWAY USE TAX AND THE ALTERNATE GROSS RECEIPTS TAX, TO INCREASE CERTAIN FEES TO OFFSET THE LOSS OF REVENUE RESULTING FROM THE MODIFICATIONS TO THE HIGHWAY USE TAX, AND TO MAKE TECHNICAL CHANGES IN THE LAWS AFFECTED BY THE HIGHWAY TRUST FUND.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.3(8b) reads as rewritten:

"(8b) 'Motor vehicle' means ~~any vehicle which is self-propelled and designed primarily for use upon the highways, any vehicle which is propelled by electric power obtained from trolley wires but not operated upon rails, and any vehicle designed to run upon the highways which is propelled by a self-propelled vehicle, but shall not include any implement of husbandry, farm tractor, road construction or maintenance machinery or equipment, special mobile equipment as defined in G.S. 20-4.01, any vehicle designed primarily for use in work off the highway, or a manufactured home.~~ a vehicle that is designed primarily for use upon the highways and is either self-propelled or propelled by a self-propelled vehicle, but does not include:

a. A moped as defined in G.S. 20-4.01(27)(d1).

b. Special mobile equipment as defined in G.S. 20-4.01(44).

- 1           c.    A tow dolly that is exempt from motor vehicle title and  
2               registration requirements under G.S. 20-51(10) or (11).  
3           d.    A farm tractor or other implement of husbandry.  
4           e.    A manufactured home.  
5           f.    Road construction or road maintenance machinery or  
6               equipment."

7           Sec. 2. G.S. 105-164.13(32) reads as rewritten:

8           "(32) Sales of motor vehicles, the ~~separate sales sale~~ of a motor vehicle  
9               body and a motor vehicle chassis when the body is to be mounted  
10              on the ~~chassis~~, a motor vehicle chassis when a certificate of title  
11              has not been issued for the chassis, and the sale of a motor vehicle  
12              body mounted on a motor vehicle chassis that temporarily enters  
13              the State so the manufacturer of the body can mount the body on  
14              the chassis. ~~of the sale."~~

15          Sec. 3. G.S. 105-164.3(7a) reads as rewritten:

16          "(7a) 'Lease or rental' means ~~the leasing or renting of tangible personal~~  
17               ~~property and the possession or use thereof by the lessee or renter~~  
18               ~~for a consideration without transfer of the title of such property. a~~  
19               transfer, for consideration, of the use but not the ownership of  
20               property to another for a period of time."

21          Sec. 4. G.S. 105-187.1 reads as rewritten:

22        **"§ 105-187.1. Definitions.**

23        The following definitions and the definitions in G.S. 105-164.3 apply to this Article:

- 24           (1) 'Commissioner' means the Commissioner of Motor Vehicles.  
25           (2) 'Division' means the Division of Motor Vehicles, Department of  
26                Transportation.  
27           (3) 'Long-term lease or rental' means a lease or rental made under a  
28                written agreement to lease or rent property to the same person for a  
29                period of at least 365 continuous days.  
30           (4) 'Short-term lease or rental' means a lease or rental that is not a  
31                long-term lease or rental."

32          Sec. 5. G.S. 105-187.5(b) reads as rewritten:

33          "(b) Rate. The tax rate on the gross receipts ~~of from~~ the short-term lease or rental  
34          of a motor vehicle is eight percent (8%), ~~unless the vehicle is leased or rented to the~~  
35          ~~same person for a period of more than 90 continuous days. In that circumstance, the tax~~  
36          ~~is eight percent (8%) for the first 90 days the vehicle is leased or rented to the same~~  
37          ~~person and is three percent (3%) for the remainder of the period during which the~~  
38          ~~vehicle is leased or rented to that person. (8%) and the tax rate on the gross receipts~~  
39          from the long-term lease or rental of a motor vehicle is three percent (3%). The  
40          maximum tax in G.S. 105-187.3(a) applies to ~~the a~~ continuous lease or rental of a motor  
41          vehicle to the same person when the vehicle is leased or rented to the same person for  
42          ~~more than 90 continuous days. Tax paid by a person from the first day of a continuous~~  
43          ~~lease or rental period applies toward the maximum tax."~~

44          Sec. 6. G.S. 105-187.3(a) reads as rewritten:

1       "(a) Amount. The rate of the use tax imposed by this Article is three percent (3%)  
2 of the retail value of a motor vehicle for which a certificate of title is issued. The tax is  
3 payable as provided in G.S. 105-187.4. The tax may not be less than ~~forty dollars~~  
4 ~~(\$40.00)~~ thirty dollars (\$30.00) for each motor vehicle for which a certificate of title is  
5 issued, unless the issuance of a title for the vehicle is exempt from tax under G.S. 105-  
6 187.6(a). The tax may not be more than one thousand dollars (\$1,000) for each motor  
7 vehicle for which a certificate of title is issued."

8           Sec. 7. G.S. 105-187.7 reads as rewritten:

9       "**§ 105-187.7. Credit for tax paid in another state.**

10       A person who, within 90 days before applying for a certificate of title for a motor  
11 vehicle on which the tax imposed by this Article is due, has paid a sales tax, an excise  
12 tax, or a tax substantially equivalent to the tax imposed by this Article on the vehicle to  
13 a taxing jurisdiction outside this State is entitled to a credit against the tax due under this  
14 Article for the amount of tax paid to the other jurisdiction. The credit may not reduce  
15 the person's liability under this Article below the minimum ~~forty dollar (\$40.00) tax.~~ tax  
16 set in G.S. 105-187.3."

17           Sec. 8. G.S. 105-187.8 reads as rewritten:

18       "**§ 105-187.8. Refund for return of purchased motor vehicle.**

19       When a purchaser of a motor vehicle returns the motor vehicle to the seller of the  
20 motor vehicle within 90 days after the purchase and receives a vehicle replacement for  
21 the returned vehicle or a refund of the price paid the seller, whether from the seller or  
22 the manufacturer of the vehicle, the purchaser may obtain a refund of the privilege tax  
23 paid on the certificate of title issued for the returned motor vehicle, less the minimum  
24 ~~tax of forty dollars (\$40.00).~~ set in G.S. 105-187.3.

25       To obtain a refund, the purchaser must apply to the Division for a refund within 30  
26 days after receiving the replacement vehicle or refund of the purchase price. The  
27 application must be made on a form prescribed by the Commission and must be  
28 supported by documentation from the seller of the returned vehicle."

29           Sec. 9. G.S. 105-187.4(b) reads as rewritten:

30       "(b) Sale by Retailer. When a certificate of title for a motor vehicle is issued  
31 because of a sale of the motor vehicle by a retailer, the applicant for the certificate of  
32 title must attach a copy of the bill of sale for the motor vehicle to the application. A  
33 retailer who sells a motor vehicle may collect from the purchaser of the vehicle the tax  
34 payable upon the issuance of a certificate of title for the vehicle, apply for a certificate  
35 of title on behalf of the purchaser, and remit the tax due on behalf of the purchaser. If a  
36 check submitted by a retailer in payment of taxes collected under this section is not  
37 honored by the financial institution upon which it is drawn because the retailer's account  
38 did not have sufficient funds to pay the check or the retailer did not have an account at  
39 the institution, the Division may suspend or revoke the license issued to the retailer  
40 under Article 12 of Chapter 20 of the General Statutes."

41           Sec. 10. G.S. 20-294 reads as rewritten:

42       "**§ 20-294. Grounds for denying, suspending or revoking licenses.**

43       A license may be denied, suspended or revoked on any one or more of the following  
44 grounds:

- 1 (1) Material misstatement in application for license.
- 2 (2) Willful and intentional failure to comply with any provision of this
- 3 Article or Article 15 or the willful and intentional violation of G.S.
- 4 20-52.1, 20-75, 20-79, 20-82, 20-108, 20-109 or rescission and
- 5 cancellation of dealer's license and dealer's plates under G.S. 20-
- 6 110(e) or 20-110(f) or any lawful rule or regulation promulgated by
- 7 the Division under this Article.
- 8 (3) Being a motor vehicle dealer, failure to have an established place
- 9 of business as defined in this Article.
- 10 (4) Willfully defrauding any retail buyer, to the buyer's damage, or any
- 11 other person in the conduct of the licensee's business.
- 12 (5) Employment of fraudulent devices, methods or practices in
- 13 connection with compliance with the requirements under the laws
- 14 of this State with respect to the retaking of motor vehicles under
- 15 retail installment contracts and the redemption and resale of such
- 16 motor vehicles.
- 17 (6) Having used unfair methods of competition or unfair deceptive acts
- 18 or practices.
- 19 (7) Knowingly advertising by any means, any assertion, representation
- 20 or statement of fact which is untrue, misleading or deceptive in any
- 21 particular relating to the conduct of the business licensed or for
- 22 which a license is sought.
- 23 (8) Knowingly advertising a used motor vehicle for sale as a new
- 24 motor vehicle.
- 25 (9) Conviction of an offense set forth under G.S. 20-106, 20-106.1, 20-
- 26 107, 20-112 while holding such a license or within five years next
- 27 preceding the date of filing the application; or conviction of a
- 28 felony involving moral turpitude under the laws of this State, any
- 29 other state, territory or the District of Columbia or of the United
- 30 States.
- 31 (10) Submitting a bad check to the Division of Motor Vehicles in
- 32 payment of highway use taxes collected by the licensee."

33 Sec. 11. G.S. 105-187.5(d) reads as rewritten:

34 "(d) ~~Reporting Administration~~. The Division shall notify the Secretary of Revenue

35 of a retailer who makes the election under this section. A retailer who makes this

36 election shall report and remit to the Secretary the tax on the gross receipts of the lease

37 or rental of the motor vehicle ~~as if the gross receipts were taxable under G.S. 105-~~

38 ~~164.4(a)(2)~~. The Secretary shall administer the tax imposed by this section on gross

39 receipts in the same manner as the tax levied under G.S. 105-164.4(a)(2). The

40 administrative provisions and powers of the Secretary that apply to the tax levied under

41 G.S. 105-164.4(a)(2) apply to the tax imposed by this section. In addition, the Division

42 may request the Secretary to audit a retailer who elects to pay tax on gross receipts

43 under this section. When the Secretary conducts an audit at the request of the Division,

1 the Division shall reimburse the Secretary for the cost of the audit, as determined by the  
2 Secretary."

3 Sec. 12. G.S. 105-187.6 reads as rewritten:

4 **"§ 105-187.6. Exemptions from highway use tax.**

5 (a) Full Exemptions. – The tax imposed by this Article does not apply when a  
6 certificate of title is issued as the result of a transfer of a motor vehicle:

7 (1) To the insurer of the motor vehicle under G.S. 20-109.1 because  
8 the vehicle is a salvage vehicle.

9 (2) To either a manufacturer, as defined in G.S. 20-285, or a motor  
10 vehicle retailer for the purpose of ~~resale.~~ resale other than lease or  
11 rental.

12 (3) To the same owner to reflect a change or correction in the owner's  
13 name.

14 (4) To the Department of Human Resources to be equipped by the  
15 Department for use by the handicapped and then transferred to a  
16 handicapped person.

17 (5) To a local board of education when the motor vehicle is to be used  
18 in the driver education program of a public school to train students  
19 to drive.

20 (6) By will or intestacy.

21 (b) Partial Exemptions. – Only the minimum tax imposed by this Article applies  
22 when a certificate of title is issued as a ~~the~~ result of the transfer of a motor vehicle:

23 (1) By a gift between a husband and wife or a parent and child.

24 (2) ~~By will or intestacy.~~

25 (3)(2) By a distribution of marital property as a result of a divorce.

26 (4)(3) To a secured party who has ~~filed~~ a perfected security interest in the  
27 motor vehicle ~~with the Department of the Secretary of State.~~

28 (5)(4) To a partnership or corporation as an incident to the formation of the  
29 partnership or corporation and no gain or loss arises on the transfer  
30 under section 351 or section 721 of the Internal Revenue Code, or to a  
31 corporation by merger or consolidation in accordance with G.S. 55-  
32 110.

33 (6) ~~To the same owner to reflect a change in the owner's name.~~

34 (c) Out-of-state Vehicles. – A maximum tax of one hundred dollars (\$100.00)  
35 applies when a certificate of title is issued for a motor vehicle that, at the time of  
36 applying for a certificate of title, is and has been titled in another state for at least 90  
37 days."

38 Sec. 13. Article 5A of Chapter 105 of the General Statutes is amended by  
39 adding a new section to read:

40 **"§ 105-187.11. Transition from sales tax to highway use tax for lessors and renters**  
41 **of motor vehicles.**

42 A tax at the rate set in G.S. 105-187.5(b) is levied on the gross receipts derived  
43 by a retailer from the lease or rental of a motor vehicle owned by the retailer before  
44 October 1, 1989, and leased or rented on or after that date. A retailer subject to this tax

1 may elect to pay highway use tax at the rate set in G.S. 105-187.3(a) on a motor vehicle  
 2 owned by the retailer before October 1, 1989, and leased or rented on or after that date.  
 3 The retail value of a motor vehicle for which a retailer makes an election under this  
 4 section is the value of the motor vehicle that would apply under G.S. 105-187.3(b) if the  
 5 retailer received the vehicle because of a reason other than the sale of the motor vehicle  
 6 on the date the retailer makes the election.

7 To make the election allowed by this section, a retailer shall complete a form  
 8 provided by the Division, pay the tax due, and pay the fee set in G.S. 20-85(a)(9). A  
 9 retailer who makes this election may not receive credit for any tax paid on the motor  
 10 vehicle under Article 5 of this Chapter or for any tax on gross receipts paid under this  
 11 Article. The Division shall notify the Secretary of Revenue of a retailer who makes an  
 12 election under this section."

13 Sec. 14. Section 4 of Chapter 753 of the 1989 Session Laws reads as  
 14 rewritten:

15 "Sec. 4. ~~These refunds~~ Refunds for taxable periods ending before October 1, 1989,  
 16 shall be drawn from the Highway Fund. Refunds for taxable periods ending after  
 17 September 30, 1989, shall be drawn from the Highway Fund and the Highway Trust  
 18 Fund in the same percentage amounts that refunds are drawn from these Funds under  
 19 G.S. 105-445."

20 Sec. 15. G.S. 20-57(b) reads as rewritten:

21 "(b) The registration card shall be delivered to the owner and shall contain upon  
 22 the face thereof the name and address of the owner, space for the owner's signature, the  
 23 registration number assigned to the vehicle, and ~~such a~~ description of the vehicle as  
 24 determined by the Commissioner, provided that if there are more than two owners the  
 25 Division may show only two owners on the registration card and indicate that additional  
 26 owners exist by placing after the names listed 'et al.' ~~Upon application to the Division,~~  
 27 ~~the registered owner may acquire additional copies of the registration card at a fee of~~  
 28 ~~three dollars (\$3.00) each.~~ An owner may obtain a copy of a registration card issued in  
 29 the owner's name by applying to the Division for a copy and paying the fee set in G.S.  
 30 20-85."

31 Sec. 16. G.S. 20-85 reads as rewritten:

32 "**§ 20-85. Schedule of fees.**

33 "(a) ~~Except as provided in G.S. 20-68, the following fees concerning a~~  
 34 ~~certificate of title for a motor vehicle and registration of a motor vehicle shall be paid to~~  
 35 ~~the Division.~~ The following fees are imposed concerning a certificate of title, a  
 36 registration card, or a registration plate for a motor vehicle. These fees are payable to  
 37 the Division and are in addition to the tax imposed by Article 5A of Chapter 105 of the  
 38 General Statutes.

- |    |     |   |         |
|----|-----|---|---------|
| 39 | (1) | Each application for certificate of title | \$35.00 |
| 40 | (2) | Each application for duplicate            |         |
| 41 |     | or corrected certificate of title         | 10.00   |
| 42 | (3) | Each application of reposessor for        |         |
| 43 |     | certificate of title                      | 10.00   |
| 44 | (4) | Each transfer of registration             | 10.00   |

- 1 (5) Each set of replacement registration  
2 plates 10.00
- 3 (6) Each application for duplicate registration  
4 ~~certificate~~card 10.00
- 5 (7) Each application for recording supplementary  
6 lien 10.00
- 7 (8) Each application for removing a lien from a  
8 certificate of title 10.00
- 9 (9) Each application for certificate of title  
10 for a motor vehicle transferred to a  
11 manufacturer, as defined in G.S. 20-285,  
12 or a motor vehicle retailer for the purpose  
13 of resale 10.00.

14 (b) ~~Six-sevenths of the revenue collected under subdivision (a)(1) of this section~~  
15 ~~and all of the Ninety-three and three-tenths percent (93.3%) of the revenue collected~~  
16 ~~under the other subdivisions in subsection (a) this section shall be credited to the North~~  
17 ~~Carolina Highway Trust Fund; the remaining ~~one-seventh of the~~ revenue collected~~  
18 ~~under subdivision (a)(1) shall be credited to the Highway Fund. ~~One-half of the amount~~~~  
19 ~~credited to the Trust Fund Fifteen dollars (\$15.00) of the fee imposed under subdivision~~  
20 ~~(a)(1) shall be added to the amount allocated for secondary roads under G.S. 136-176~~  
21 ~~and used in accordance with G.S. 136-44.5.”~~

22 Sec. 17. G.S. 20-85.1(c) reads as rewritten:

23 "(c) All funds collected under this section shall be ~~deposited in~~ credited to the  
24 Highway Fund."

25 Sec. 18. G.S. 105-436 is repealed.

26 Sec. 19. G.S. 20-7(l) reads as rewritten:

27 "(l) Any person who except for lack of instruction in operating a motor vehicle  
28 would be qualified to obtain an operator's license under this Article may ~~apply for~~  
29 ~~obtain a temporary learner's permit, permit. A learner's permit authorizes and the~~  
30 ~~Division shall issue such permit, entitling the applicant, permittee,~~ while having such  
31 ~~the permit~~ in his immediate possession, to drive a specified type or class of motor  
32 vehicle upon the highways for a period of 18 months. The fee for issuance of a  
33 ~~temporary learner's permit shall be five dollars (\$5.00). is six dollars (\$6.00). Any such~~  
34 ~~A learner's permit may be renewed, or a second learner's permit may be issued, for an~~  
35 additional period of 18 months. The permittee must, while operating a motor vehicle  
36 over the highways, be accompanied by a person who is licensed to operate the class or  
37 type of vehicle being operated and who is seated in the seat beside the permittee.

38 The fee for the issuance of a renewal or a second ~~temporary learner's permit shall be~~  
39 ~~five dollars (\$5.00). is six dollars (\$6.00)."~~

40 Sec. 20. G.S. 20-11(b) reads as rewritten:

41 "(b) The Division may grant an application for a limited learner's permit of any  
42 minor under the age of 16, who otherwise meets the requirements of licensing under this  
43 section, when such application is signed by both the applicant and his or her parent or  
44 guardian or some other responsible adult with whom the applicant resides and is

1 approved by the Division of Motor Vehicles. The limited learner's permit shall entitle  
2 the applicant, while having the permit in his immediate possession, to drive a motor  
3 vehicle of the specified type or class upon the highways while accompanied by a parent,  
4 guardian, or other person approved by the Division, who is licensed under this Chapter  
5 to operate a motor vehicle (of the type or class being operated by the permittee) and  
6 who is actually occupying a seat beside the driver. The limited learner's permit ~~shall be~~  
7 is valid for a period of 18 months and the fee for issuance of a limited learner's permit  
8 ~~shall be five dollars (\$5.00).~~ is six dollars (\$6.00). Provided, however, a limited learner's  
9 permit as herein provided shall be issued only to those applicants who have reached the  
10 age of 15 years. In the event a minor who has been issued a limited learner's permit  
11 under this subsection operates a motor vehicle in violation of any provision herein, the  
12 permit shall be canceled.

13 Provided a driver who holds a limited learner's permit only shall not be deemed a  
14 male operator under age 25 for the purpose of determining the insurance premium rate  
15 for persons insured under automobile property damage and bodily injury liability  
16 insurance policies."

17 Sec. 21. G.S. 20-14 reads as rewritten:

18 **"§ 20-14. Duplicate licenses.**

19 A licensee may obtain a duplicate license, ~~upon payment of a fee of five dollars~~  
20 ~~(\$5.00), if he furnishes to~~ license by paying a fee of six dollars (\$6.00) and giving the  
21 Division satisfactory proof that:

22 (1) ~~He~~ The license has been lost or ~~destroyed his license; or destroyed;~~

23 (2) It is necessary to change the name or address on the license;  
24 or

25 (3) ~~He has reached the age wherein he~~ Because of the licensee's age, the  
26 licensee is entitled to a license with a different color photographic  
27 background."

28 Sec. 22. G.S. 20-37.7(d) reads as rewritten:

29 "(d) A special identification card issued under this section shall expire on the birth  
30 date of the holder in the fourth year of issuance. The fee for the issuance or reissuance  
31 of a special identification card ~~shall be five dollars (\$5.00) which shall be placed in the~~  
32 Highway Fund; provided that a is the same as the fee set in G.S. 20-14 for issuing a  
33 duplicate license. A special identification card may be issued without fee to a resident  
34 of North Carolina who is legally blind or has attained the age of 70 years; ~~provided~~  
35 ~~further that the~~ The fees collected for the issuance of special identification cards to  
36 persons under the age of 16 shall be placed in a reserve fund to cover the cost of the  
37 operation of the program required by this Article."

38 Sec. 23. G.S. 20-37.9 reads as rewritten:

39 **"§ 20-37.9. Notification of change of address.**

40 Whenever the holder of a special identification card issued under the provisions of  
41 G.S. 20-37.7 has a change in the address as shown on ~~such the~~ special identification  
42 card, he or she shall apply for reissuance of a special identification card within 60 days  
43 after the address has been changed. The fee for reissuance of ~~the a~~ special identification  
44 card ~~shall be five dollars (\$5.00).~~ is the same as the fee set in G.S. 20-37.7 for issuing a



1 special identification card. Provided that in those instances in which the change of  
 2 address is through governmental action and there is no actual change of geographical  
 3 location, no change of address on the card shall be required until the expiration thereof  
 4 or reissuance is applied for by the holder thereof."

5 Sec. 24. G.S. 20-26(c) reads as rewritten:

6 "(c) The Division shall furnish copies of license records required to be kept by  
 7 subsection (a) of this section to other persons, firms and corporations for uses other than  
 8 official upon prepayment of the fee therefor, according to the following schedule:

9 (1) Limited extract copy of license record, for period up to three years  
 10 ~~\$4.00~~ \$5.00

11 (2) Complete extract copy of license record ~~4.00~~ 5.00

12 (3) Certified true copy of complete license record 7.00.

13 All fees received by the Division under the provisions of this subsection shall be paid  
 14 into and become a part of the 'Highway Fund'."

15 Sec. 25. G.S. 20-42(b) reads as rewritten:

16 "(b) The Commissioner and ~~such~~ officers of the Division as ~~he may designate~~ are  
 17 ~~hereby authorized to~~ designated by the Commissioner may prepare under the seal of the  
 18 Division and deliver upon request a certified copy of any record of the Division,  
 19 charging a fee of ~~four dollars (\$4.00)~~ five dollars (\$5.00) for each document so certified,  
 20 and every such certified copy shall be admissible in any proceeding in any court in like  
 21 manner as the original thereof, without further certification. Provided that any copy of  
 22 any record of the Division furnished to State, county, municipal and court officials of  
 23 this State for official use shall be furnished without charge."

24 Sec. 26. G.S. 20-74 reads as rewritten:

25 "**§ 20-74. Penalty for failure to make timely application for transfer within the time**  
 26 **specified by law. title or for making false statement.**

27 (a) ~~It is the intent and purpose of this Article that every~~ Every new owner or  
 28 purchaser of a vehicle previously registered shall make application for transfer of title  
 29 within ~~20-30~~ 30 days after acquiring ~~same, the vehicle,~~ or see that ~~such an~~ application is  
 30 sent in by the lienholder with proper fees, and responsibility for ~~such the~~ transfer shall  
 31 rest on the purchaser. Any person, firm or corporation failing to do so shall pay a  
 32 penalty of ~~four dollars (\$4.00)~~ ten dollars (\$10.00) in addition to the fees otherwise  
 33 provided in this Article.

34 (b) A dealer who applies for a title for a vehicle sold by the dealer on behalf of  
 35 the buyer of the vehicle shall apply within 30 days of the date of sale. A dealer who  
 36 fails to apply for a title within this time limit shall pay a penalty in the amount set in  
 37 subsection (a) for a late application.

38 (c) ~~It is further provided that any dealer or owner who shall knowingly make any~~  
 39 A dealer or owner of a vehicle who knowingly makes a false statement in any  
 40 application required by this Division as to the date a vehicle was sold or acquired shall  
 41 be guilty of a misdemeanor, and upon conviction shall be fined not more than fifty  
 42 dollars (\$50.00) or imprisoned not more than 30 days.

43 (d) All moneys collected under this section shall go to the State Highway Fund."

44 Sec. 27. G.S. 20-119(b) reads as rewritten:

"(b) Upon the issuance of a special permit for an oversize or overweight vehicle by the Department of Transportation in accordance with this section, the applicant shall pay to the Department a fee of ~~five dollars (\$5.00)~~ ten dollars (\$10.00) for a single trip permit or ~~twenty-five dollars (\$25.00)~~ and fifty dollars (\$50.00) for an annual permit issued for a single vehicle. Any person, firm or corporation who operates more than one vehicle may apply for, and the Department may issue, an annual permit for all oversize or overweight vehicles operated by ~~said the person, firm or corporation, and said applicant shall pay to the Department upon payment of an annual fee based on the~~ following schedule:

No. of Vehicles	Annual Permit Rate per Vehicle
-----------------	--------------------------------

First 50	<del>\$25.00</del>	<u>\$50.00</u>
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51 to 100	<del>20.00</del>	<u>40.00</u>
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101 to 150	<del>15.00</del>	<u>30.00</u>
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Over 150	<del>10.00</del>	<u>20.00</u>
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Any vehicle required to obtain an overweight permit shall not be charged an additional fee for oversize. Any vehicle required to obtain an oversize permit shall not be charged an additional fee for overweight. This subsection shall not apply to farm equipment or machinery being used at the time for agricultural purposes, nor to the moving of a house as provided for by the license and permit requirements of Article 16 of this Chapter. Fees will not be assessed for permits for oversize and overweight vehicles issued to any agency of the United States Government or the State of North Carolina, its agencies, institutions, subdivisions or municipalities, provided the vehicle is registered in the name of such governmental body."

Sec. 28. G.S. 20-289(a) reads as rewritten:

"(a) The license fee for each fiscal year, or part thereof, shall be as follows:

(1) For motor vehicle dealers, distributors, and wholesalers, ~~thirty dollars (\$30.00)~~ fifty dollars (\$50.00) for each principal place of business, plus eight dollars (\$8.00) for a supplementary license for each car lot not immediately adjacent thereto;

(2) For manufacturers, ~~seventy five dollars (\$75.00), one hundred dollars (\$100.00),~~ and for each factory branch in this State, ~~forty five dollars (\$45.00);~~ seventy dollars (\$70.00);

(3) For motor vehicle salesmen, five dollars ~~(\$5.00);~~ (\$5.00) for each license or transfer of license;

(4) For factory representatives, or distributor branch representatives, six dollars ~~(\$6.00);~~ (\$6.00) for each license or transfer of license;

(5) Manufacturers, wholesalers, and distributors may operate as a motor vehicle dealer, without any additional fee or license."

Sec. 29. G.S. 20-291 reads as rewritten:

**"§ 20-291. Salesman, etc., Salesman and other licensees to carry license and display it on request; license to name employer.**

1 Every salesman, factory representative and distributor representative shall carry his  
2 license when engaged in his business, and shall display the same upon request. ~~The~~  
3 ~~licensee shall name his employer, and in the event of a change of employer, he shall~~  
4 ~~immediately mail his license to the Division, which shall endorse such change on the~~  
5 ~~license without charge.~~ The license of a salesman, a factory representative, or a  
6 distributor representative shall state the name of the licensee's employer. A licensee  
7 who changes employers shall immediately apply to the Division for a license that states  
8 the licensee's new employer. The licensee shall pay the fee set in G.S. 20-289 for the  
9 transfer of license."

10 Sec. 30. Sections 1 through 8, Section 12, Section 16, Sections 19 through  
11 27, and Section 29 shall become effective October 1, 1990. The remaining sections of  
12 this act are effective upon ratification. Section 28 applies retroactively to July 1, 1990.