

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 504
Committee Substitute Favorable 5/23/95

Short Title: Leased Vehicle Trade-In Allowance.

(Public)

Sponsors:

Referred to:

March 20, 1995

A BILL TO BE ENTITLED

AN ACT TO SUBTRACT ANY TRADE-IN ALLOWANCE IN CALCULATING THE
ALTERNATIVE HIGHWAY USE TAX ON LEASED VEHICLES.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-187.5(b) reads as rewritten:

"(b) Rate. – The tax rate on the gross receipts from the short-term lease or rental of a motor vehicle is eight percent (8%) and the tax rate on the gross receipts from the long-term lease or rental of a motor vehicle is three percent (3%). Gross receipts does not include the amount of any allowance given for a motor vehicle taken in trade as a partial payment on the lease or rental price. The maximum tax in G.S. 105-187.3(a) applies to a continuous lease or rental of a motor vehicle to the same person."

Sec. 2. This act becomes effective October 1, 1995, and applies to certificates of title issued on or after that date.