

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007**

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SENATE BILL 1007

Short Title: Expand Fuel Tax Refund.

(Public)

Sponsors: Senator Rand.

Referred to: Finance.

March 21, 2007

A BILL TO BE ENTITLED

AN ACT TO ALLOW A FUEL TAX REFUND FOR FUEL USE BY COMMERCIAL
TIRE SERVICE VEHICLES.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-449.107(b) reads as rewritten:

"(b) Certain Vehicles. – A person who purchases and uses motor fuel in one of the vehicles listed below may receive an annual refund for the amount of fuel consumed by the vehicle:

- (1) A concrete mixing vehicle.
- (2) A solid waste compacting vehicle.
- (3) A bulk feed vehicle that delivers feed to poultry or livestock and uses a power takeoff to unload the feed.
- (4) A vehicle that delivers lime or fertilizer in bulk to farms and uses a power takeoff to unload the lime or fertilizer.
- (5) A tank wagon that delivers alternative fuel, as defined in G.S. 105-449.130, or motor fuel or another type of liquid fuel into storage tanks and uses a power takeoff to make the delivery.
- (6) A commercial vehicle that delivers and spreads mulch, soils, composts, sand, sawdust, and similar materials and that uses a power takeoff to unload, blow, and spread the materials.
- (7) A commercial vehicle that uses a power takeoff to remove and dispose of septage and for which an annual fee is required to be paid to the Department of Environment and Natural Resources under G.S. 130A-291.1.
- (8) A sweeper.
- (9) A commercial tire service vehicle that pumps air for compressors to operate machinery necessary to repair and replace tires of vehicles and off-road equipment in the field.

1 The amount of refund allowed is thirty-three and one-third percent (33 1/3%) of the
2 following: the sum of the flat cents-per-gallon rate in effect during the year for which
3 the refund is claimed and the average of the two variable cents-per-gallon rates in effect
4 during that year, less the amount of sales and use tax or privilege tax due on the fuel
5 under this Chapter. An application for a refund allowed under this section must be made
6 in accordance with this Part. This refund is allowed for the amount of fuel consumed by
7 the vehicle in its mixing, compacting, or unloading operations, as distinguished from
8 propelling the vehicle, which amount is considered to be one-third of the amount of fuel
9 consumed by the vehicle."

10 **SECTION 2.** This act is effective when it becomes law and applies to motor
11 fuel and alternative fuel consumed on or after January 1, 2007.