GENERAL ASSEMBLY OF NORTH CAROLINA

Session 2007

Legislative Fiscal Note

BILL NUMBER: House Bill 2455 (Second Edition)

SHORT TITLE: Increase Oxford Motor Vehicle Tax.

SPONSOR(S):   Representative Crawford

FISCAL IMPACT

Yes (X) **No** ( ) **No Estimate Available** ( )

	FY 2008-09	FY 2009-10	FY 2010-11	FY 2011-12	FY 2012-13
REVENUES					
City of Oxford	$136,953	$140,800	$139,720	$140,311	$140,433
EXPENDITURES					
POSITIONS (cumulative):					

PRINCIPAL DEPARTMENT(S) & PROGRAM(S) AFFECTED: City of Oxford

EFFECTIVE DATE: Section 2 of this act is effective upon the date the City of Oxford acts to levy an additional tax under this act. The remainder of this act is effective when it becomes law.

BILL SUMMARY:

House Bill 2455 amends GS 20-97(b) to increase the maximum amount a city or town may levy for a general municipal vehicle tax on any vehicle resident from $5 to $20. It clarifies that this section applies to Oxford only.

Section 2 of the bill makes a conforming amendment to section 2 of SL 1987-610 to remove Oxford as a city to which the section applies, so that it no longer imposes a $10 limit on Oxford when levying a motor vehicle tax.

ASSUMPTIONS AND METHODOLOGY:

House Bill 2455 increases the motor vehicle privilege tax the City of Oxford may levy from $10.00 per year per resident vehicle to $20.00. According to the North Carolina Division of Motor Vehicles, there are currently 13,643 registered vehicles in the City of Oxford. Increasing the levy from $10 to $20 for each resident vehicle would generate $136,953 in additional revenue in

FY2008-09. This amount is then grown using North Carolina vehicle registrations as projected by Moody's Economy.com.

SOURCES OF DATA: NC Division of Motor Vehicles, Moody's Economy.com

TECHNICAL CONSIDERATIONS: None

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