

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009**

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**SENATE BILL 543  
Finance Committee Substitute Adopted 4/2/09**

Short Title: Durham Motor Vehicle Levy. (Local)

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Sponsors:

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Referred to:

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March 12, 2009

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE THE CITY OF DURHAM TO COLLECT A MUNICIPAL TAX  
3 FOR PUBLIC TRANSPORTATION OF TEN DOLLARS ON VEHICLES RESIDENT IN  
4 THE CITY.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Section 1 of S.L. 2003-329, Section 1 of S.L. 2004-103, and S.L.  
7 2008-31 are repealed. That act authorized the City of Durham to levy up to ten dollars (\$10.00)  
8 per year for general purposes. The repeal of this act shall not affect the authority of the City of  
9 Durham to levy the General Municipal Vehicle Tax in G.S. 20-97(b) of five dollars (\$5.00).

10 **SECTION 2.(a)** Article 3 of the Charter of the City of Durham, being Chapter 671  
11 of the Session Laws of 1975 is repealed, and a new Article is added to read:

"Article 3A. Other Taxes.

13 "Sec. 46.1. Municipal Vehicle Tax for Public Transportation. The City of Durham may levy  
14 a tax of not more than five dollars (\$5.00) upon any vehicle resident in the city. The tax  
15 authorized in this section is in addition to the general municipal vehicle tax authorized by  
16 G.S. 20-97. The proceeds of the tax may be used only for financing, constructing, operating,  
17 and maintaining local public transportation systems. The City of Durham shall use the proceeds  
18 of the tax to supplement and not to supplant or replace existing funds or other resources for  
19 public transportation systems."

20 **SECTION 2.(b)** G.S. 20-97(c) reads as rewritten:

21 "(c) Municipal Vehicle Tax for Public Transportation. – A city or town that operates a  
22 public transportation system as defined in G.S. 105-550 may levy a tax of not more than five  
23 dollars (\$5.00) per year upon any vehicle resident in the city or town. The tax authorized by  
24 this subsection is in addition to the tax authorized by subsection (b) of this section. A city or  
25 town may not levy a tax under this section, however, to the extent the rate of tax, when added  
26 to the general motor vehicle taxes levied by the city or town under subsection (b) of this section  
27 and under any local legislation, would exceed thirty dollars (\$30.00) per year. The proceeds of  
28 the tax may be used only for financing, constructing, operating, and maintaining local public  
29 transportation systems. Cities and towns shall use the proceeds of the tax to supplement and not  
30 to supplant or replace existing funds or other resources for public transportation systems. This  
31 subsection does not apply to the City of Durham or to the cities and towns in Gaston County."

32 **SECTION 3.** This act only applies to the City of Durham.

33 **SECTION 4.** Section 1 of this act is effective when the City of Durham levies a tax  
34 under Section 2 of this act. The remainder of this act is effective when it becomes law. This act  
35 does not affect the rights or liabilities of the State, a taxpayer, or another person arising under a  
36 statute amended or repealed by this act before the effective date of its amendment or repeal; nor



- 1 does it affect the right to any refund or credit of a tax that accrued under the amended or
- 2 repealed statute before the effective date of its amendment or repeal.