

NORTH CAROLINA GENERAL ASSEMBLY  
1977 SESSION

CHAPTER 1215  
HOUSE BILL 931

AN ACT TO AMEND G.S. 105-446.3 TO PROVIDE MOTOR FUEL TAX REFUNDS FOR  
PRIVATE NONPROFIT TRANSPORTATION SERVICES AND TAXICABS.

The General Assembly of North Carolina enacts:

**Section 1.** G.S. 105-446.3, as it appears in the 1975 Cumulative Supplement to 1972 Replacement Volume 2D of the General Statutes, is amended by rewriting the catch line to read as follows:

**"§ 105-446.3. Refund of taxes paid on motor fuels used in operation of motor buses transporting fare-paying passengers in a city transit system, in operation of a taxicab transporting fare-paying passengers, and in operation of private nonprofit transportation services."**

**Sec. 2.** G.S. 105-446.3(a), as it appears in the 1975 Cumulative Supplement to 1972 Replacement Volume 2D of the General Statutes, is amended by striking out the first sentence of the subsection and substituting therefor the following:

"Any person, association, firm or corporation, who shall purchase any motor fuels, as defined in this Article, for the purpose of use, and the same is actually used, in the operation of motor buses transporting fare-paying passengers in connection with a city transit system or in the operation of a taxicab transporting fare-paying passengers, both as hereinafter defined in subsection (b) of this section, or in the operation, by private nonprofit organizations, of motor vehicles transporting passengers under contract with or at the express designation of units of local government (such transportation above and hereinafter referred to as private nonprofit transportation services) shall be entitled to be reimbursed at the rate of eight cents (8¢) per gallon of tax levied by this Article upon filing with the Secretary of Revenue an application upon the oath or affirmation of the applicant or his agent showing the number of gallons of motor fuel so purchased and used."

**Sec. 3.** G.S. 105-446.3(b), as it appears in 1972 Replacement Volume 2D of the General Statutes, is amended by striking out all of the last sentence which begins on line 12 of the subsection and by substituting therefor a new sentence to read as follows:

"For the purposes of this section the term 'taxicab' shall mean a taxicab as defined in G.S. 20-87(3); provided, however, that a city transit system as defined herein shall not include limousine operations."

**Sec. 4.** G.S. 105-446.3(d), as it appears in the 1975 Cumulative Supplement to 1972 Replacement Volume 2D of the General Statutes, is amended after the words "operation of a city transit system" by inserting the following:

"or for the operation of a taxicab transporting fare-paying passengers or for private nonprofit transportation services".

**Sec. 5.** G.S. 105-446.3(e), as it appears in the 1975 Cumulative Supplement to 1972 Replacement Volume 2D of the General Statutes, is rewritten to read as follows:

"(e) If the Secretary of Revenue shall be satisfied that the applicant for any refund authorized by this section has collected or sought to collect any refund of tax or taxes on fuels not used in the operation of a city transit system or in the operation of a taxicab transporting fare-paying passengers or for private nonprofit transportation services, he shall issue to such

applicant notice to show cause why such application should not be disallowed, which notice shall state a time and place of hearing upon said notice. If upon such hearing the secretary shall find as a fact that such applicant has collected or sought to collect any refund on fuels which have not been used in the operation of a city transit system or in the operation of a taxicab transporting fare-paying passengers or for private nonprofit transportation services, he shall disallow the application in its entirety and the applicant shall be required to repay all tax or taxes which have been refunded to him on said application."

**Sec. 6.** For the fiscal year 1978-1979, reimbursements provided by this act shall not exceed the total aggregate amount of three hundred thousand dollars (\$300,000).

**Sec. 7.** This act shall become effective July 1, 1978.

In the General Assembly read three times and ratified, this the 16th day of June, 1978.