

GENERAL ASSEMBLY OF NORTH CAROLINA  
1983 SESSION

CHAPTER 1065  
HOUSE BILL 1482

AN ACT TO CHANGE THE METHOD OF DETERMINING THE SALES PRICE OF  
A MOTOR VEHICLE IN A CASUAL SALE AND ELIMINATE THE  
REQUIREMENT THAT THE SALES PRICE OF A MOTOR VEHICLE IN A  
CASUAL SALE BE BASED ON THE BOOK VALUE OF THE VEHICLE.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.4(1) is amended by deleting the fourth, fifth, and sixth paragraphs of that subdivision and substituting the following to read:

"The tax levied under this section applies to all retail sales of motor vehicles regardless whether the seller is engaged in business as a retailer of motor vehicles or whether a tax on the sale of the vehicle has previously been paid under this Article. A purchaser of a motor vehicle from a retailer shall pay the tax imposed under this Article to the retailer, who is liable for collecting and remitting the tax to the Secretary. A purchaser of a motor vehicle is liable for payment of the tax imposed by this Article if the seller is not a retailer. The purchaser shall pay the tax to the Commissioner of Motor Vehicles when applying for a certificate of title for the vehicle.

When applying for a certificate of title, a purchaser of a motor vehicle from a seller who is not a retailer shall certify in writing the sales price of the purchased motor vehicle. A purchaser who knowingly makes a false certification of the sales price is guilty of a misdemeanor.

The Commissioner of Motor Vehicles may not issue a certificate of title for a motor vehicle sold by a seller who is not a retailer unless the tax imposed by this section is paid when the purchaser of the vehicle applies for a certificate of title. The Commissioner shall remit taxes collected by him under this subsection to the Secretary."

Sec. 2. The third paragraph of G.S. 105-164.4(1) is amended by inserting between the reference "G.S. 105-164.3(16)" and the comma following that reference the phrase "and regardless whether the seller is a retailer of motor vehicles".

Sec. 3. G.S. 105-164.6(3a) is amended as follows:

(1) by deleting the words "or purchase" and the phrase "as determined in accordance with G.S. 105-164.4(1)," in the first sentence of that subdivision; and

(2) by rewriting the last sentence of the second paragraph of that subdivision to read:

"An owner of a motor vehicle acquired from a seller who is not a retailer shall certify the sales price of the vehicle as provided in G.S. 105-164.4(1)."

Sec. 4. Chapter 713 of the 1983 Session Laws is amended by adding a new section to read:

"Sec. 110. Sections 89 and 90 of this act do not apply to a sale of a motor vehicle delivered after the effective date of the tax increase imposed by those sections pursuant to a written contract made between a retail dealer of motor vehicles and the buyer of the vehicle before the effective date of the tax increase if the contract price of the vehicle included the projected sales tax due on the sale of the vehicle and computed the amount of sales due at the then maximum rate of one hundred twenty dollars (\$120.00). A retail dealer who was a party to a contract described in this section and who reduced his profit on the sale to absorb the increase in the sales tax may apply to the Secretary of Revenue for a refund of the difference between the sales tax paid on the sale of the vehicle and one hundred twenty dollars (\$120.00). A buyer of a vehicle who was a party to a contract described in this section and who paid more than the contract price of the vehicle because he paid the additional sales tax due may apply to the retail dealer from whom he purchased the vehicle for a refund of the difference between the sales tax the buyer paid and one hundred twenty dollars (\$120.00). A dealer who receives a refund request from a buyer shall apply on behalf of the buyer to the Secretary of Revenue for the requested refund. A refund request made pursuant to this section shall be made within six months following June 20, 1984. The Secretary of Revenue shall grant requests for refunds made under this section upon proof satisfactory to the Secretary that the applicant is eligible for the refund."

Sec. 5. Section 4 of this act is effective upon ratification. The remainder of this act shall become effective July 1, 1984.

In the General Assembly read three times and ratified, this the 2nd day of July, 1984.