

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

**SESSION LAW 2005-116
SENATE BILL 407**

AN ACT TO AUTHORIZE AN INCREASE IN THE VEHICLE TAX IN MUNICIPALITIES LOCATED WHOLLY OR PARTLY IN CABARRUS COUNTY AND TO EXTEND A MORATORIUM ON ANNEXATIONS INTO THE COUNTY OF CABARRUS BY MUNICIPALITIES LOCATED PRIMARILY OUTSIDE THE COUNTY.

The General Assembly of North Carolina enacts:

SECTION 1.(a) G.S. 20-97(b) reads as rewritten:

"(b) General Municipal Vehicle Tax. – Cities and towns may levy a tax of not more than ~~five dollars (\$5.00)~~ twenty dollars (\$20.00) per year upon any vehicle resident in the city or town. The proceeds of the tax may be used for any lawful purpose."

SECTION 1.(b) This section applies only to municipalities located wholly or partially in Cabarrus County. Any funds generated by a tax of over five dollars (\$5.00) under this section shall be placed into a separate fund for transportation uses within the municipality and shall not be expended for any other purpose.

SECTION 2. Section 3 of S.L. 2003-326 reads as rewritten:

"**SECTION 3.** Section 1 of this act is effective when it becomes law and expires June 30, ~~2005-2006~~. The remainder of this act is effective when it becomes law."

SECTION 3. This act is effective when it becomes law.

In the General Assembly read three times and ratified this the 28th day of June, 2005.

s/ Marc Basnight
President Pro Tempore of the Senate

s/ James B. Black
Speaker of the House of Representatives