

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

H

1

HOUSE BILL 2155

Short Title: No Highway Tax on Name Changes.

(Public)

---

Sponsors: Representatives Easterling, Wiser (co-sponsors); Barnhill, Blue, Colton, Foster, Gardner, Holt, Kennedy, Lineberry, Lutz, and Perdue.

---

Referred to: Infrastructure.

---

May 29, 1990

A BILL TO BE ENTITLED

AN ACT TO EXEMPT FROM THE HIGHWAY USE TAX A MOTOR VEHICLE  
TITLE THAT IS ISSUED BECAUSE OF A NAME CHANGE OF THE OWNER.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-187.6 reads as rewritten:

**"§ 105-187.6. Exemptions from highway use tax.**

(a) Full Exemptions. – The tax imposed by this Article does not apply when a certificate of title is issued as the result of a transfer of a motor vehicle:

(1) To the insurer of the motor vehicle under G.S. 20-109.1 because the vehicle is a salvage vehicle.

(2) To either a manufacturer, as defined in G.S. 20-285, or a motor vehicle retailer for the purpose of resale.

(3) To the same owner to reflect a change or correction in the owner's name.

(b) Partial Exemptions. – Only the minimum tax imposed by this Article applies when a certificate of title is issued as a result of the transfer of a motor vehicle:

(1) By a gift between a husband and wife or a parent and child.

(2) By will or intestacy.

(3) By a distribution of marital property as a result of a divorce.

(4) To a secured party who has filed a security interest in the motor vehicle with the Department of the Secretary of State.

(5) To a partnership or corporation as an incident to the formation of the partnership or corporation and no gain or loss arises on the transfer

1                   under section 351 or section 721 of the Internal Revenue Code, or to a  
2                   corporation by merger or consolidation in accordance with G.S. 55-  
3                   110.

4                   ~~(6) To the same owner to reflect a change in the owner's name.~~

5                   (c) Out-of-state Vehicles. – A maximum tax of one hundred dollars (\$100.00)  
6                   applies when a certificate of title is issued for a motor vehicle that, at the time of  
7                   applying for a certificate of title, is and has been titled in another state for at least 90  
8                   days."

9                   Sec. 2. This act shall become effective July 1, 1990.