

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

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**HOUSE BILL 2224**

Short Title: Tax Exempt. for High-Fuel-Economy Cars. (Public)

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Sponsors: Representatives Tucker; Coleman and Underhill.

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Referred to: Finance.

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May 22, 2006

1 A BILL TO BE ENTITLED  
2 AN ACT TO EXEMPT HIGH-FUEL-ECONOMY MOTOR VEHICLES FROM THE  
3 HIGHWAY USE TAX.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-187.1 is amended by adding a new subdivision to  
6 read:

7 "**§ 105-187.1. Definitions.**

8 The following definitions and the definitions in G.S. 105-164.3 apply to this Article:

9 ...

10 (2a) High-fuel-economy motor vehicle. – A motor vehicle that has a  
11 combined fuel economy rating, as determined by the United States  
12 Environmental Protection Agency, that equals or exceeds 30 miles per  
13 gallon."

14 **SECTION 2.** G.S. 105-187.6(a) is amended by adding a new subdivision to  
15 read:

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

18 ...

19 (10) That is a high-fuel-economy motor vehicle."

20 **SECTION 3.** This act becomes effective July 1, 2006, and applies to  
21 certificates of title issued on or after that date.