

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1989

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SENATE BILL 1360*

Finance Committee Substitute Adopted 6/28/90

Finance Committee Substitute #2 Adopted 7/5/90

Ways & Means Committee Substitute #3 Adopted 7/12/90

Short Title: Highway Use Tax/Sales Tax Changes.

(Public)

Sponsors:

Referred to:

May 23, 1990

A BILL TO BE ENTITLED

AN ACT TO REINSTATE SALES TAX ON CERTAIN VEHICLES AND VEHICLE PARTS, TO MODIFY THE HIGHWAY USE TAX AND THE ALTERNATE GROSS RECEIPTS TAX, TO INCREASE CERTAIN FEES TO OFFSET THE LOSS OF REVENUE RESULTING FROM THE MODIFICATIONS TO THE HIGHWAY USE TAX, AND TO MAKE TECHNICAL CHANGES IN THE LAWS AFFECTED BY THE HIGHWAY TRUST FUND.

The General Assembly of North Carolina enacts:

Section 1. G.S. 105-164.3(8b) reads as rewritten:

"(8b) 'Motor vehicle' means any vehicle which is self-propelled and designed primarily for use upon the highways, any vehicle which is propelled by electric power obtained from trolley wires but not operated upon rails, and any vehicle designed to run upon the highways which is propelled by a self-propelled vehicle, but shall not include any implement of husbandry, farm tractor, road construction or maintenance machinery or equipment, special mobile equipment as defined in G.S. 20-4.01, any vehicle designed primarily for use in work off the highway, or a manufactured home. a vehicle that is designed primarily for use upon the highways and is either self-

1 propelled or propelled by a self-propelled vehicle, but does not
2 include:

- 3 a. A moped as defined in G.S. 20-4.01(27)(d1).
4 b. Special mobile equipment as defined in G.S. 20-
5 4.01(44).
6 c. A tow dolly that is exempt from motor vehicle title and
7 registration requirements under G.S. 20-51(10) or (11).
8 d. A farm tractor or other implement of husbandry.
9 e. A manufactured home.
10 f. Road construction or road maintenance machinery or
11 equipment."

12 Sec. 2. G.S. 105-164.13(32) reads as rewritten:

13 "(32) Sales of motor vehicles, the ~~separate sales~~ sale of a motor vehicle body
14 ~~and a motor vehicle chassis when the body is to be mounted on the chassis,~~
15 a motor vehicle chassis when a certificate of title has not been issued
16 for the chassis, and the sale of a motor vehicle body mounted on a
17 motor vehicle chassis that temporarily enters the State so the
18 manufacturer of the body can mount the body on the chassis. ~~of the~~
19 ~~sale."~~

20 Sec. 3. G.S. 105-164.3(7a) reads as rewritten:

21 "(7a) 'Lease or rental' means ~~the leasing or renting of tangible personal~~
22 ~~property and the possession or use thereof by the lessee or renter for a~~
23 ~~consideration without transfer of the title of such property.~~ a transfer,
24 for consideration, of the use but not the ownership of property to
25 another for a period of time."

26 Sec. 4. G.S. 105-187.1 reads as rewritten:

27 **"§ 105-187.1. Definitions.**

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

- 29 (1) 'Commissioner' means the Commissioner of Motor Vehicles.
30 (2) 'Division' means the Division of Motor Vehicles, Department of
31 Transportation.
32 (3) 'Long-term lease or rental' means a lease or rental made under a
33 written agreement to lease or rent property to the same person for a
34 period of at least 365 continuous days.
35 (4) 'Short-term lease or rental' means a lease or rental that is not a long-
36 term lease or rental."

37 Sec. 5. G.S. 105-187.5(b) reads as rewritten:

38 "(b) Rate. The tax rate on the gross receipts ~~of from the~~ short-term lease or rental
39 of a motor vehicle is eight percent (8%), ~~unless the vehicle is leased or rented to the~~
40 ~~same person for a period of more than 90 continuous days. In that circumstance, the tax~~
41 ~~is eight percent (8%) for the first 90 days the vehicle is leased or rented to the same~~
42 ~~person and is three percent (3%) for the remainder of the period during which the~~
43 ~~vehicle is leased or rented to that person. (8%)~~ and the tax rate on the gross receipts
44 from the long-term lease or rental of a motor vehicle is three percent (3%). The

1 maximum tax in G.S. 105-187.3(a) applies to ~~the a continuous lease or rental of a motor~~
2 ~~vehicle to the same person when the vehicle is leased or rented to the same person for~~
3 ~~more than 90 continuous days. Tax paid by a person from the first day of a continuous~~
4 ~~lease or rental period applies toward the maximum tax."~~

5 Sec. 6. G.S. 105-187.3(a) reads as rewritten:

6 "(a) Amount. The rate of the use tax imposed by this Article is three percent (3%)
7 of the retail value of a motor vehicle for which a certificate of title is issued. The tax is
8 payable as provided in G.S. 105-187.4. The tax may not be less than ~~forty dollars~~
9 ~~(\$40.00)~~ thirty dollars (\$30.00) for each motor vehicle for which a certificate of title is
10 issued, unless the issuance of a title for the vehicle is exempt from tax under G.S. 105-
11 187.6(a). The tax may not be more than one thousand dollars (\$1,000) for each motor
12 vehicle for which a certificate of title is issued."

13 Sec. 7. G.S. 105-187.7 reads as rewritten:

14 **"§ 105-187.7. Credit for tax paid in another state.**

15 A person who, within 90 days before applying for a certificate of title for a motor
16 vehicle on which the tax imposed by this Article is due, has paid a sales tax, an excise
17 tax, or a tax substantially equivalent to the tax imposed by this Article on the vehicle to
18 a taxing jurisdiction outside this State is entitled to a credit against the tax due under this
19 Article for the amount of tax paid to the other jurisdiction. The credit may not reduce
20 the person's liability under this Article below the minimum ~~forty dollar (\$40.00) tax.~~ tax
21 set in G.S. 105-187.3."

22 Sec. 8. G.S. 105-187.8 reads as rewritten:

23 **"§ 105-187.8. Refund for return of purchased motor vehicle.**

24 When a purchaser of a motor vehicle returns the motor vehicle to the seller of the
25 motor vehicle within 90 days after the purchase and receives a vehicle replacement for
26 the returned vehicle or a refund of the price paid the seller, whether from the seller or
27 the manufacturer of the vehicle, the purchaser may obtain a refund of the privilege tax
28 paid on the certificate of title issued for the returned motor vehicle, less the minimum
29 ~~tax of forty dollars (\$40.00).~~ set in G.S. 105-187.3.

30 To obtain a refund, the purchaser must apply to the Division for a refund within 30
31 days after receiving the replacement vehicle or refund of the purchase price. The
32 application must be made on a form prescribed by the Commission and must be
33 supported by documentation from the seller of the returned vehicle."

34 Sec. 9. G.S. 105-187.4(b) reads as rewritten:

35 "(b) Sale by Retailer. When a certificate of title for a motor vehicle is issued
36 because of a sale of the motor vehicle by a retailer, the applicant for the certificate of
37 title must attach a copy of the bill of sale for the motor vehicle to the application. A
38 retailer who sells a motor vehicle may collect from the purchaser of the vehicle the tax
39 payable upon the issuance of a certificate of title for the vehicle, apply for a certificate
40 of title on behalf of the purchaser, and remit the tax due on behalf of the purchaser. If a
41 check submitted by a retailer in payment of taxes collected under this section is not
42 honored by the financial institution upon which it is drawn because the retailer's account
43 did not have sufficient funds to pay the check or the retailer did not have an account at

1 the institution, the Division may suspend or revoke the license issued to the retailer
2 under Article 12 of Chapter 20 of the General Statutes."

3 Sec. 10. G.S. 20-294 reads as rewritten:

4 **"§ 20-294. Grounds for denying, suspending or revoking licenses.**

5 A license may be denied, suspended or revoked on any one or more of the following
6 grounds:

- 7 (1) Material misstatement in application for license.
- 8 (2) Willful and intentional failure to comply with any provision of this
9 Article or Article 15 or the willful and intentional violation of G.S. 20-
10 52.1, 20-75, 20-79, 20-82, 20-108, 20-109 or rescission and
11 cancellation of dealer's license and dealer's plates under G.S. 20-110(e)
12 or 20-110(f) or any lawful rule or regulation promulgated by the
13 Division under this Article.
- 14 (3) Being a motor vehicle dealer, failure to have an established place of
15 business as defined in this Article.
- 16 (4) Willfully defrauding any retail buyer, to the buyer's damage, or any
17 other person in the conduct of the licensee's business.
- 18 (5) Employment of fraudulent devices, methods or practices in connection
19 with compliance with the requirements under the laws of this State
20 with respect to the retaking of motor vehicles under retail installment
21 contracts and the redemption and resale of such motor vehicles.
- 22 (6) Having used unfair methods of competition or unfair deceptive acts or
23 practices.
- 24 (7) Knowingly advertising by any means, any assertion, representation or
25 statement of fact which is untrue, misleading or deceptive in any
26 particular relating to the conduct of the business licensed or for which
27 a license is sought.
- 28 (8) Knowingly advertising a used motor vehicle for sale as a new motor
29 vehicle.
- 30 (9) Conviction of an offense set forth under G.S. 20-106, 20-106.1, 20-
31 107, 20-112 while holding such a license or within five years next
32 preceding the date of filing the application; or conviction of a felony
33 involving moral turpitude under the laws of this State, any other state,
34 territory or the District of Columbia or of the United States.
- 35 (10) Submitting a bad check to the Division of Motor Vehicles in payment
36 of highway use taxes collected by the licensee."

37 Sec. 11. G.S. 105-187.5(d) reads as rewritten:

38 "(d) ~~Reporting Administration.~~ The Division shall notify the Secretary of Revenue
39 of a retailer who makes the election under this section. A retailer who makes this
40 election shall report and remit to the Secretary the tax on the gross receipts of the lease
41 or rental of the motor vehicle ~~as if the gross receipts were taxable under G.S. 105-~~
42 ~~164.4(a)(2).~~ The Secretary shall administer the tax imposed by this section on gross
43 receipts in the same manner as the tax levied under G.S. 105-164.4(a)(2). The
44 administrative provisions and powers of the Secretary that apply to the tax levied under

1 G.S. 105-164.4(a)(2) apply to the tax imposed by this section. In addition, the Division
 2 may request the Secretary to audit a retailer who elects to pay tax on gross receipts
 3 under this section. When the Secretary conducts an audit at the request of the Division,
 4 the Division shall reimburse the Secretary for the cost of the audit, as determined by the
 5 Secretary. In conducting an audit of a retailer under this section, the Secretary may
 6 audit any sales of motor vehicles made by the retailer."

7 Sec. 12. G.S. 105-187.6 reads as rewritten:

8 **"§ 105-187.6. Exemptions from highway use tax.**

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

- 11 (1) To the insurer of the motor vehicle under G.S. 20-109.1 because the
 12 vehicle is a salvage vehicle.
- 13 (2) To either a manufacturer, as defined in G.S. 20-285, or a motor vehicle
 14 retailer for the purpose of ~~resale.~~ resale other than lease or rental.
- 15 (3) To the same owner to reflect a change or correction in the owner's
 16 name.
- 17 (4) To the Department of Human Resources to be equipped by the
 18 Department for use by the handicapped and then transferred to a
 19 handicapped person.
- 20 (5) To a local board of education when the motor vehicle is to be used in
 21 the driver education program of a public school to train students to
 22 drive.
- 23 (6) By will or intestacy.

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

- 26 (1) By a gift between a husband and wife or a parent and child.
- 27 ~~(2) By will or intestacy.~~
- 28 ~~(3)~~(2) By a distribution of marital property as a result of a divorce.
- 29 ~~(4)~~(3) To a secured party who has ~~filed~~ perfected security interest in the
 30 motor vehicle ~~with the Department of the Secretary of State.~~
- 31 ~~(5)~~(4) To a partnership or corporation as an incident to the formation of the
 32 partnership or corporation and no gain or loss arises on the transfer
 33 under section 351 or section 721 of the Internal Revenue Code, or to a
 34 corporation by merger or consolidation in accordance with G.S. 55-
 35 110.
- 36 ~~(6) To the same owner to reflect a change in the owner's name.~~

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

41 Sec. 13. Article 5A of Chapter 105 of the General Statutes is amended by
 42 adding a new section to read:

43 **"§ 105-187.11. Transition from sales tax to highway use tax for lessors and renters**
 44 **of motor vehicles.**

1 A tax at the rate set in G.S. 105-187.5(b) is levied on the gross receipts derived
2 by a retailer from the lease or rental of a motor vehicle owned by the retailer before
3 October 1, 1989, and leased or rented on or after that date. A retailer subject to this tax
4 may elect to pay highway use tax at the rate set in G.S. 105-187.3(a) on a motor vehicle
5 owned by the retailer before October 1, 1989, and leased or rented on or after that date.
6 The retail value of a motor vehicle for which a retailer makes an election under this
7 section is the value of the motor vehicle that would apply under G.S. 105-187.3(b) if the
8 retailer received the vehicle because of a reason other than the sale of the motor vehicle
9 on the date the retailer makes the election.

10 To make the election allowed by this section, a retailer shall complete a form
11 provided by the Division, pay the tax due, and pay the fee set in G.S. 20-85(a)(9). A
12 retailer who makes this election may not receive credit for any tax paid on the motor
13 vehicle under Article 5 of this Chapter or for any tax on gross receipts paid under this
14 Article. The Division shall notify the Secretary of Revenue of a retailer who makes an
15 election under this section."

16 Sec. 14. Section 4 of Chapter 753 of the 1989 Session Laws reads as
17 rewritten:

18 "Sec. 4. ~~These refunds~~ Refunds for taxable periods ending before October 1, 1989,
19 shall be drawn from the Highway Fund. Refunds for taxable periods ending after
20 September 30, 1989, shall be drawn from the Highway Fund and the Highway Trust
21 Fund in the same percentage amounts that refunds are drawn from these Funds under
22 G.S. 105-445."

23 Sec. 15. G.S. 20-57(b) reads as rewritten:

24 "(b) The registration card shall be delivered to the owner and shall contain upon
25 the face thereof the name and address of the owner, space for the owner's signature, the
26 registration number assigned to the vehicle, and ~~such a~~ description of the vehicle as
27 determined by the Commissioner, provided that if there are more than two owners the
28 Division may show only two owners on the registration card and indicate that additional
29 owners exist by placing after the names listed 'et al.' ~~Upon application to the Division, the~~
30 ~~registered owner may acquire additional copies of the registration card at a fee of three dollars~~
31 ~~(\$3.00) each.~~ An owner may obtain a copy of a registration card issued in the owner's
32 name by applying to the Division for a copy and paying the fee set in G.S. 20-85."

33 Sec. 16. G.S. 20-85 reads as rewritten:

34 "**§ 20-85. Schedule of fees.**

35 ~~(a) Except as provided in G.S. 20-68, the following fees concerning a~~
36 ~~certificate of title for a motor vehicle and registration of a motor vehicle shall be paid to~~
37 ~~the Division. The following fees are imposed concerning a certificate of title, a~~
38 ~~registration card, or a registration plate for a motor vehicle. These fees are payable to~~
39 the Division and are in addition to the tax imposed by Article 5A of Chapter 105 of the
40 General Statutes.

- | | | | |
|----|-----|---|---------|
| 41 | (1) | Each application for certificate of title | \$35.00 |
| 42 | (2) | Each application for duplicate | |
| 43 | | or corrected certificate of title | 10.00 |
| 44 | (3) | Each application of reposessor for | |

- 1 certificate of title 10.00
 2 (4) Each transfer of registration 10.00
 3 (5) Each set of replacement registration
 4 plates 10.00
 5 (6) Each application for duplicate registration
 6 certificatecard 10.00
 7 (7) Each application for recording supplementary
 8 lien 10.00
 9 (8) Each application for removing a lien from a
 10 certificate of title 10.00
 11 (9) Each application for certificate of title
 12 for a motor vehicle transferred to a
 13 manufacturer, as defined in G.S. 20-285,
 14 or a motor vehicle retailer for the purpose
 15 of resale 10.00.

16 (b) ~~Six-sevenths of the revenue collected under subdivision (a)(1) of this section~~
 17 ~~and all of the Ninety-three and three-tenths percent (93.3%) of the revenue collected~~
 18 ~~under the other subdivisions in subsection (a) this section shall be credited to the North~~
 19 ~~Carolina Highway Trust Fund; the remaining one-seventh of the revenue collected~~
 20 ~~under subdivision (a)(1) shall be credited to the Highway Fund. One-half of the amount~~
 21 ~~credited to the Trust Fund Fifteen dollars (\$15.00) of the fee imposed under subdivision~~
 22 ~~(a)(1) shall be added to the amount allocated for secondary roads under G.S. 136-176~~
 23 ~~and used in accordance with G.S. 136-44.5."~~

24 Sec. 17. G.S. 20-85.1(c) reads as rewritten:

25 "(c) All funds collected under this section shall be ~~deposited in~~ credited to the
 26 Highway Fund."

27 Sec. 18. G.S. 105-436 is repealed.

28 Sec. 19. G.S. 20-7(l) reads as rewritten:

29 "(l) Any person who except for lack of instruction in operating a motor vehicle
 30 would be qualified to obtain an operator's license under this Article may ~~apply for~~ obtain
 31 ~~a temporary learner's permit, permit. A learner's permit authorizes and the Division shall~~
 32 ~~issue such permit, entitling the applicant, permittee, while having such the permit in his~~
 33 ~~immediate possession, to drive a specified type or class of motor vehicle upon the~~
 34 ~~highways for a period of 18 months. The fee for issuance of a temporary learner's permit~~
 35 ~~shall be five dollars (\$5.00). is six dollars (\$6.00). ~~Any such~~ A learner's permit may be
 36 renewed, or a second learner's permit may be issued, for an additional period of 18
 37 months. The permittee must, while operating a motor vehicle over the highways, be
 38 accompanied by a person who is licensed to operate the class or type of vehicle being
 39 operated and who is seated in the seat beside the permittee.~~

40 The fee for the issuance of a renewal or a second ~~temporary learner's permit shall be~~
 41 ~~five dollars (\$5.00). is six dollars (\$6.00)."~~

42 Sec. 20. G.S. 20-11(b) reads as rewritten:

43 "(b) The Division may grant an application for a limited learner's permit of any
 44 minor under the age of 16, who otherwise meets the requirements of licensing under this

1 section, when such application is signed by both the applicant and his or her parent or
2 guardian or some other responsible adult with whom the applicant resides and is
3 approved by the Division of Motor Vehicles. The limited learner's permit shall entitle
4 the applicant, while having the permit in his immediate possession, to drive a motor
5 vehicle of the specified type or class upon the highways while accompanied by a parent,
6 guardian, or other person approved by the Division, who is licensed under this Chapter
7 to operate a motor vehicle (of the type or class being operated by the permittee) and
8 who is actually occupying a seat beside the driver. The limited learner's permit ~~shall be~~
9 is valid for a period of 18 months and the fee for issuance of a limited learner's permit
10 ~~shall be five dollars (\$5.00).~~ is six dollars (\$6.00). Provided, however, a limited learner's
11 permit as herein provided shall be issued only to those applicants who have reached the
12 age of 15 years. In the event a minor who has been issued a limited learner's permit
13 under this subsection operates a motor vehicle in violation of any provision herein, the
14 permit shall be canceled.

15 Provided a driver who holds a limited learner's permit only shall not be deemed a
16 male operator under age 25 for the purpose of determining the insurance premium rate
17 for persons insured under automobile property damage and bodily injury liability
18 insurance policies."

19 Sec. 21. G.S. 20-14 reads as rewritten:

20 **"§ 20-14. Duplicate licenses.**

21 A licensee may obtain a duplicate ~~license, upon payment of a fee of five dollars (\$5.00),~~
22 if he furnishes to license by paying a fee of six dollars (\$6.00) and giving the Division
23 satisfactory proof that:

24 (1) ~~He~~ The license has been lost or ~~destroyed his license; or destroyed;~~

25 (2) It is necessary to change the name or address on the license;
26 or

27 (3) ~~He has reached the age wherein he~~ Because of the licensee's age, the
28 licensee is entitled to a license with a different color photographic
29 background."

30 Sec. 22. G.S. 20-37.7(d) reads as rewritten:

31 "(d) A special identification card issued under this section shall expire on the birth
32 date of the holder in the fourth year of issuance. The fee for the issuance or reissuance
33 of a special identification card ~~shall be five dollars (\$5.00) which shall be placed in the~~
34 Highway Fund; provided that a is the same as the fee set in G.S. 20-14 for issuing a
35 duplicate license. A special identification card may be issued without fee to a resident
36 of North Carolina who is legally blind or has attained the age of 70 ~~years; provided~~
37 ~~further that the.~~ The fees collected for the issuance of special identification cards to
38 persons under the age of 16 shall be placed in a reserve fund to cover the cost of the
39 operation of the program required by this Article."

40 Sec. 23. G.S. 20-37.9 reads as rewritten:

41 **"§ 20-37.9. Notification of change of address.**

42 Whenever the holder of a special identification card issued under the provisions of
43 G.S. 20-37.7 has a change in the address as shown on ~~such the~~ the special identification
44 card, he or she shall apply for reissuance of a special identification card within 60 days

1 after the address has been changed. The fee for reissuance of ~~the a~~ special identification
 2 card ~~shall be five dollars (\$5.00).~~ is the same as the fee set in G.S. 20-37.7 for issuing a
 3 special identification card. Provided that in those instances in which the change of
 4 address is through governmental action and there is no actual change of geographical
 5 location, no change of address on the card shall be required until the expiration thereof
 6 or reissuance is applied for by the holder thereof."

7 Sec. 24. G.S. 20-26(c) reads as rewritten:

8 "(c) The Division shall furnish copies of license records required to be kept by
 9 subsection (a) of this section to other persons, firms and corporations for uses other than
 10 official upon prepayment of the fee therefor, according to the following schedule:

- | | | | |
|----|-----|--|-----------------------|
| 11 | (1) | Limited extract copy of license record, | |
| 12 | | for period up to three years | \$4.00- <u>\$5.00</u> |
| 13 | (2) | Complete extract copy of license record | 4.00- <u>5.00</u> |
| 14 | (3) | Certified true copy of complete license record | 7.00. |

15 All fees received by the Division under the provisions of this subsection shall be paid
 16 into and become a part of the 'Highway Fund.'"

17 Sec. 25. G.S. 20-42(b) reads as rewritten:

18 "(b) The Commissioner and ~~such~~ officers of the Division ~~as he may designate~~ are
 19 hereby authorized to designate by the Commissioner may prepare under the seal of the
 20 Division and deliver upon request a certified copy of any record of the Division,
 21 charging a fee of ~~four dollars (\$4.00)~~ five dollars (\$5.00) for each document so certified,
 22 and every such certified copy shall be admissible in any proceeding in any court in like
 23 manner as the original thereof, without further certification. Provided that any copy of
 24 any record of the Division furnished to State, county, municipal and court officials of
 25 this State for official use shall be furnished without charge."

26 Sec. 26. G.S. 20-74 reads as rewritten:

27 "**§ 20-74. Penalty for failure to make timely application for transfer within the time**
 28 **specified by law. title or for making false statement.**

29 (a) ~~It is the intent and purpose of this Article that every~~ Every new owner or
 30 purchaser of a vehicle previously registered shall make application for transfer of title
 31 within ~~20-30~~ days after acquiring ~~same, the vehicle,~~ or see that ~~such an~~ application is sent
 32 in by the lienholder with proper fees, and responsibility for ~~such the~~ transfer shall rest on
 33 the purchaser. Any person, firm or corporation failing to do so shall pay a penalty of
 34 ~~four dollars (\$4.00)~~ ten dollars (\$10.00) in addition to the fees otherwise provided in this
 35 Article.

36 (b) A dealer who applies for a title for a vehicle sold by the dealer on behalf of
 37 the buyer of the vehicle shall apply within 30 days of the date of sale. A dealer who
 38 fails to apply for a title within this time limit shall pay a penalty in the amount set in
 39 subsection (a) for a late application.

40 (c) ~~It is further provided that any dealer or owner who shall knowingly make any~~ A
 41 dealer or owner of a vehicle who knowingly makes a false statement in any application
 42 required by this Division as to the date a vehicle was sold or acquired shall be guilty of
 43 a misdemeanor, and upon conviction shall be fined not more than fifty dollars (\$50.00)
 44 or imprisoned not more than 30 days.

1 (d) All moneys collected under this section shall go to the State Highway Fund."
 2 Sec. 27. G.S. 20-119(b) reads as rewritten:

3 "(b) Upon the issuance of a special permit for an oversize or overweight vehicle
 4 by the Department of Transportation in accordance with this section, the applicant shall
 5 pay to the Department a fee of ~~five dollars (\$5.00)~~ ten dollars (\$10.00) for a single trip
 6 permit ~~or twenty-five dollars (\$25.00)~~ and fifty dollars (\$50.00) for an annual permit
 7 issued for a single vehicle. Any person, firm or corporation who operates more than one
 8 vehicle may apply for, and the Department may issue, an annual permit for all oversize
 9 or overweight vehicles operated by ~~said~~ the person, firm or corporation, ~~and said~~
 10 ~~applicant shall pay to the Department upon payment of~~ an annual fee based on the
 11 following schedule:

12

13 No. of Vehicles		Annual Permit Rate per Vehicle	
14	15 First 50	16 \$25.00	17 <u>\$50.00</u>
18	19 51 to 100	20 20.00	21 <u>40.00</u>
22	23 101 to 150	24 15.00	25 <u>30.00</u>
26	27 Over 150	28 10.00	29 <u>20.00</u>

30 Any vehicle required to obtain an overweight permit shall not be charged an
 31 additional fee for oversize. Any vehicle required to obtain an oversize permit shall not
 32 be charged an additional fee for overweight. This subsection shall not apply to farm
 33 equipment or machinery being used at the time for agricultural purposes, nor to the
 34 moving of a house as provided for by the license and permit requirements of Article 16
 35 of this Chapter. Fees will not be assessed for permits for oversize and overweight
 36 vehicles issued to any agency of the United States Government or the State of North
 37 Carolina, its agencies, institutions, subdivisions or municipalities, provided the vehicle
 38 is registered in the name of such governmental body."

39 Sec. 28. G.S. 20-289(a) reads as rewritten:

40 "(a) The license fee for each fiscal year, or part thereof, shall be as follows:

41 (1) For motor vehicle dealers, distributors, and wholesalers, ~~thirty dollars~~
 42 ~~(\$30.00)~~ fifty dollars (\$50.00) for each principal place of business, plus
 43 eight dollars (\$8.00) for a supplementary license for each car lot not
 44 immediately adjacent thereto;

45 (2) For manufacturers, ~~seventy-five dollars (\$75.00)~~, one hundred
 46 dollars (\$100.00), and for each factory branch in this State, ~~forty-five~~
 47 ~~dollars (\$45.00)~~; seventy dollars (\$70.00);

48 (3) For motor vehicle salesmen, five dollars ~~(\$5.00)~~; (\$5.00) for
 49 each license or transfer of license;

50 (4) For factory representatives, or distributor branch
 51 representatives, six dollars ~~(\$6.00)~~; (\$6.00) for each license or
 52 transfer of license;

53 (5) Manufacturers, wholesalers, and distributors may operate as
 54 a motor vehicle dealer, without any additional fee or license."

55 Sec. 29. G.S. 20-291 reads as rewritten:

1 **"§ 20-291. ~~Salesman, etc.,~~ Salesman and other licensees to carry license and display**
2 **it on request; license to name employer.**

3 Every salesman, factory representative and distributor representative shall carry his
4 license when engaged in his business, and shall display the same upon request. ~~The~~
5 ~~licensee shall name his employer, and in the event of a change of employer, he shall~~
6 ~~immediately mail his license to the Division, which shall endorse such change on the license~~
7 ~~without charge. The license of a salesman, a factory representative, or a distributor~~
8 ~~representative shall state the name of the licensee's employer. A licensee who changes~~
9 ~~employers shall immediately apply to the Division for a license that states the licensee's~~
10 ~~new employer. The licensee shall pay the fee set in G.S. 20-289 for the transfer of~~
11 ~~license."~~

12 Sec. 30. The difference between the amount of revenue credited to the
13 Highway Trust Fund during the 1990-91 fiscal year under G.S. 20-85(b), as amended by
14 this act, and the amount that would have been credited to the Highway Trust Fund
15 during the 1990-91 fiscal year under that statute if this act did not amend the statute
16 shall be considered highway use tax revenue deposited in the Highway Trust Fund
17 under G.S. 105-173, as enacted by Chapter 692 of the 1989 Session Laws and codified
18 as G.S. 105-187.9.

19 Sec. 31. Sections 1 through 8, Section 12, Section 16, Sections 19 through
20 27, and Section 29 shall become effective October 1, 1990. The remaining sections of
21 this act are effective upon ratification. Section 28 applies retroactively to July 1, 1990.