

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007**

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SENATE DRS25067-LY-170A (3/13)

Short Title: Ethanol Tax Exemption.

(Public)

Sponsors: Senator Snow.

Referred to:

A BILL TO BE ENTITLED

AN ACT TO PROVIDE AN EXEMPTION FROM THE MOTOR FUELS EXCISE
TAX FOR ETHANOL PRODUCED BY INDIVIDUAL PRODUCER-USERS.

The General Assembly of North Carolina enacts:

SECTION 1. G.S. 105-449.88 is amended by adding a new subdivision to
read:

"§ 105-449.88. Exemptions from the excise tax.

The excise tax on motor fuel does not apply to the following:

...

(9) Fuel grade ethanol produced by individual producer-users who have received permits from the State and federal governments for the production of fuel grade ethanol. This exemption does not apply to gasoline that is blended with the ethanol exempt under this subdivision.

SECTION 2. G.S. 119-18 is amended by adding a new subsection to read:

"(d) Exemption. – The tax imposed by this section does not apply to fuel grade ethanol produced by individual producer-users who have received permits from the State and federal governments for the production of fuel grade ethanol. This exemption does not apply to gasoline that is blended with the ethanol exempt under this subsection."

SECTION 3. G.S. 18B-203 is amended by adding a new subsection to read:

"(c) Powers Withheld From the Commission. – The Commission shall have no authority over the licensing of ethanol made for the purpose of being burned in a motor vehicle."

SECTION 4. This act becomes effective July 1, 2007.