

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: H.B. 1073

SHORT TITLE: MV Applications and Fees From Dealers. (Public)

SPONSOR(S): Representatives Cole, Hiatt, and Buchanan

FISCAL IMPACT

Yes () No () No Estimate Available (X)

FY 1997-98 FY 1998-99 FY 1999-00 FY 2000-01 FY 2001-02

REVENUES

EXPENDITURES

POSITIONS:

**PRINCIPAL DEPARTMENT(S) &
PROGRAM(S) AFFECTED:** Dept. of Transportation

EFFECTIVE DATE: When the bill becomes law.

BILL SUMMARY: This bill amends G.S. 20-79.1(d) to provide that automobile dealers have 10 working days to mail or deliver the application for titling and registration of the purchased vehicle, along with the prescribed fees, to the Division of Motor Vehicles or to a local license agency for processing. Delivery need not be made if the contract for sale has been rescinded in writing by all parties to the contract.

ASSUMPTIONS AND METHODOLOGY:

TECHNICAL CONSIDERATIONS: Motor vehicle dealers collect Highway Use Tax and Title and Registration fees from vehicle purchasers. These funds, along with all documents to title and register the vehicle, are required to be presented to a license plate agency or mailed to the N.C. Division of Motor Vehicles (DMV) within four working days from date of issuance of the documents. DMV and license plate agencies are required to deposit all funds received daily. Under current reporting, it is not possible for DMV to determine how much money is received from dealers versus other sources conducting the same transactions. Because it is not possible to

isolate those funds received through dealers, no estimate of the fiscal impact can be provided. However, it should be recognized that by increasing the time (from four to ten working days) dealers have to turn in money they have collected on behalf of the State, will reduce interest earnings to the State.

FISCAL RESEARCH DIVISION

733-4910

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DATE: April 28, 1997



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