

**NORTH CAROLINA GENERAL ASSEMBLY**

**LEGISLATIVE FISCAL NOTE**

**BILL NUMBER:** House Bill 289 (First Edition)

**SHORT TITLE:** Highway Use Tax Exemption – Add Spouse

**SPONSOR(S):** Representatives C. Wilson, *et al*

**FISCAL IMPACT**

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

FY 2001-02   FY 2002-03   FY 2003-04   FY 2004-05   FY 2005-06

**REVENUES**

**EXPENDITURES**

**POSITIONS:**

**PRINCIPAL DEPARTMENT(S) &**

**PROGRAM(S) AFFECTED:** Division of Motor Vehicles; Highway Trust Fund

**EFFECTIVE DATE:** When the act becomes law

**BILL SUMMARY:** The bill would add to the exemptions from the Highway Use Tax a transfer of a motor vehicle “To the same owner and the owner’s spouse.”

**ASSUMPTIONS AND METHODOLOGY:** DMV is not able to estimate the loss of revenue from this exclusion but does not think the loss would be significant. Married couples can now avoid payment of the Highway Use Tax by not transferring the title. Making this transfer less expensive for married couples might induce more title transfers than now occur but the loss to the State would be nominal.

**FISCAL RESEARCH DIVISION 733-4910**

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**DATE:** March 5, 2001

**Official  
Fiscal Research Division  
Publication**



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