

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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HOUSE BILL 494

Short Title: Equalize Tax on Propane Used as a Motor Fuel. (Public)

Sponsors: Representatives Collins, Hager, Lewis, and R. Moore (Primary Sponsors).
For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.

Referred to: Finance.

April 2, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO EQUALIZE THE TAXATION OF LIQUEFIED PROPANE GAS WHEN USED
3 AS A MOTOR FUEL.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** G.S. 105-449.130 is amended by adding a new subdivision to read:

6 "(1h) Gas gallon equivalent of liquefied propane gas. – The energy equivalent of
7 5.75 pounds of liquefied propane gas."

8 **SECTION 2.** G.S. 105-449.136(a) reads as rewritten:

9 "(a) Rate. – A tax at the motor fuel rate is imposed on liquid alternative fuel used to
10 operate a highway vehicle by means of a vehicle supply tank that stores fuel only for the
11 purpose of supplying fuel to operate the vehicle. The tax on liquefied natural gas is imposed on
12 each diesel gallon equivalent of liquefied natural gas. The tax on liquefied propane gas is
13 imposed on each gas gallon equivalent of liquefied propane gas. A tax at the equivalent of the
14 motor fuel rate is imposed on all other alternative fuel used to operate a highway vehicle. The
15 tax on compressed natural gas is imposed on each gas gallon equivalent of compressed natural
16 gas. The Secretary must determine the equivalent rate for all other non-liquid alternative fuels."

17 **SECTION 3.** This section becomes effective July 1, 2015.



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