



**REQUEST FOR BOARD ACTION**

**ITEM NO.** 7

**DATE OF REQUEST:** January 12, 2009

**REQUESTED BY:** Coby S. Heath, Tax Assessor

**SHORT TITLE:** Resolution to Authorize the Gross Receipt Tax for Heavy Equipment

**BACKGROUND:** The General Assembly has “classified” or removed the authority of G.S. 105-275 to tax Heavy Equipment that is leased for 364 days or less. However, the North Carolina General Assembly enacted G.S 153A-156.1, a heavy equipment gross receipts tax in lieu of property tax. A county may, by resolution, impose a tax at the rate of one and two-tenths percent (1.2%) on the gross receipts from the short-term lease or rental of heavy equipment by a person whose principal business is the short-term lease or rental of heavy equipment at retail. The heavy equipment subject to this tax is exempt from property tax and the gross receipt tax provides an alternative or replacement to a property tax on the equipment. This tax will become effective April 1, 2009.

**SPECIFIC ACTION REQUESTED:** Approve the Resolution to Authorize the Gross Receipt Tax for Heavy Equipment as a replacement for the repealed property tax.

**COUNTY MANAGER'S RECOMMENDATION**

Respectfully recommend approval.

JB  
Initial

**RESOLUTION**

**NOW, THEREFORE BE IT RESOLVED** by the Pender County Board of Commissioners that  
the Resolution to Authorize the Gross Receipt Tax for Heavy Equipment is approved.  
The County Manager is authorized to execute any documents necessary to implement this  
resolution.

**AMENDMENTS:**

MOVED \_\_\_\_\_ SECONDED \_\_\_\_\_

APPROVED \_\_\_\_\_ DENIED \_\_\_\_\_ UNANIMOUS

YEA VOTES: Tate \_\_\_ Brown \_\_\_ Blanchard \_\_\_ Rivenbark \_\_\_ Williams \_\_\_

\_\_\_\_\_  
Jimmy T. Tate, Chairman      01/21/09  
Date

\_\_\_\_\_  
ATTEST      1/21/09  
Date