



# HOUSE BILL 1019: Mike Clampitt 1st Responder Tax Fairness Act.

2025-2026 General Assembly

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<b>Committee:</b>	House Judiciary 2. If favorable, re-refer to Finance. If favorable, re-refer to Rules, Calendar, and Operations of the House	<b>Date:</b>	April 24, 2026
<b>Introduced by:</b>	Reps. Pyrtle, Miller, Setzer, B. Jones	<b>Prepared by:</b>	Hannah Kendrick Staff Attorney
<b>Analysis of:</b>	First Edition		

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**OVERVIEW:** *House Bill 1019 would broaden the exemption from highway use tax for volunteer fire departments and rescue squads.*

**CURRENT LAW:** The sale or transfer of a motor vehicle for which a certificate of title is issued is typically subject to a 3% highway use tax. Pursuant to G.S. 105-187.6, a highway use tax is not imposed when a certificate of title is issued as a result of a transfer of a motor vehicle to a volunteer fire department (department) or volunteer rescue squad (squad) if all of the following apply:

- The department or squad is not part of a unit of local government.
- The department or squad has no more than two paid employees.
- The department or squad is exempt from State income tax under G.S. 105-130.11.
- The motor vehicle is (i) a fire truck, pump truck, tanker truck, or a ladder truck used to suppress fire, (ii) a four-wheel drive vehicle intended to be mounted with a water tank and hose and used for forest fire fighting, or (iii) an emergency services vehicle.

**BILL ANALYSIS:** House Bill 1019 would remove the requirement that a motor vehicle transferred to a volunteer fire department or volunteer rescue squad meet specific criteria in order for the department or squad to be exempt from highway use tax. The bill would also remove the requirement that the department or squad has no more than two paid employees to qualify for highway use tax exemption.

**EFFECTIVE DATE:** This act would be effective for taxes imposed for taxable years beginning on or after July 1, 2026, and would apply to certificates of title issued on or after that date.

Kara McCraw  
Director



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Legislative Analysis  
Division  
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