



NORTH CAROLINA

Department of Transportation



Shared Vehicles

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Types of Shared Vehicles

- Transportation Network Companies - an online-enabled application or platform to connect passengers with TNC drivers who provide prearranged transportation services
 - Uber, Lyft, Juno, Via
 - \$56 Billion: Projected 2020 revenues, with 10.3% growth rate
 - 74.3 million users in 2020, growing to 97.4 million users by 2023

Types of Shared Vehicles

- Car sharing - A person pays a membership fee for the right to use a vehicle upon payment of an additional time-based or mileage-based fee.
 - Rent from an available fleet: Zipcar – 10 NC cities; Car2Go
 - Rent* from an individual: Turo – Wilmington airport; Getaround
 - Rent* without Membership: Maven
- *Needs legislative clarification

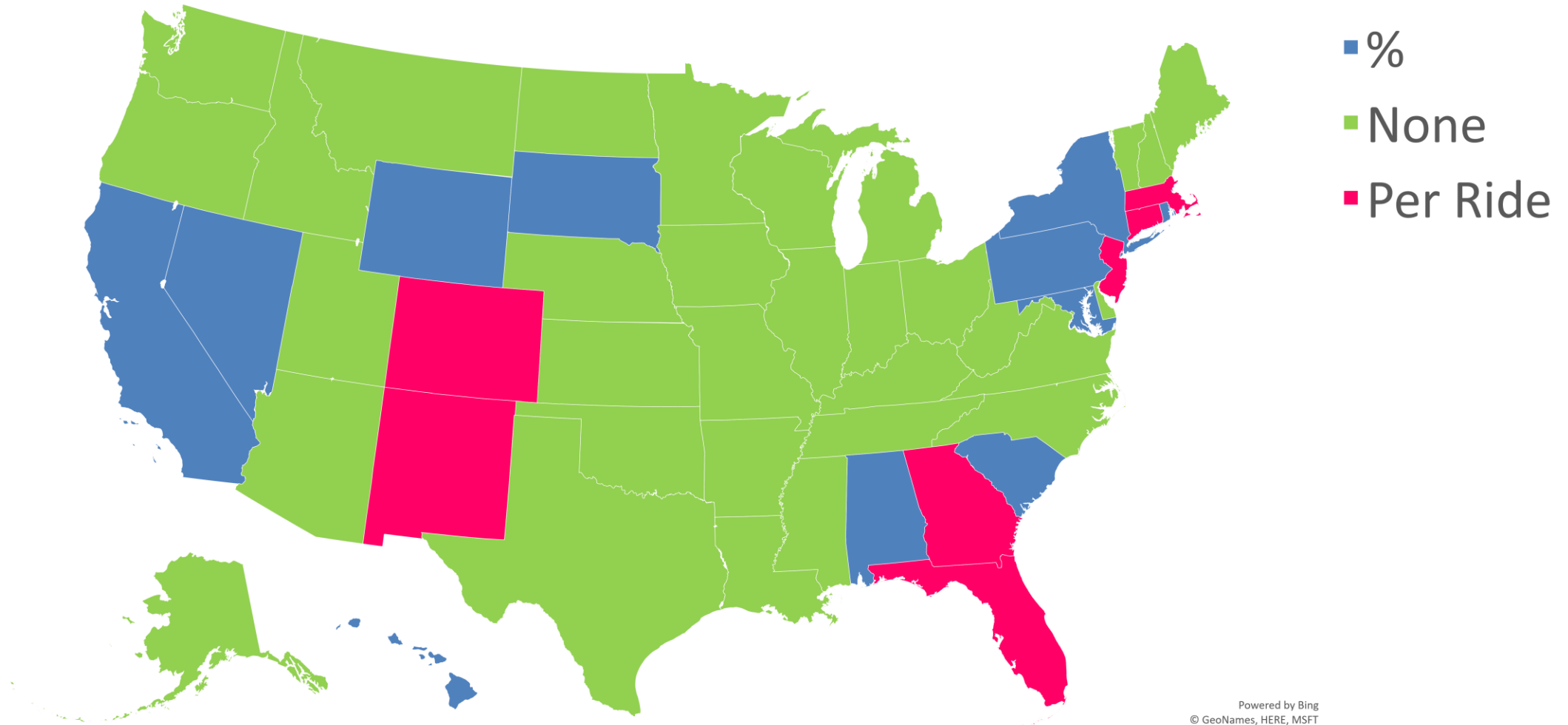
Types of Shared Vehicles

- Car subscription services - A written agreement that grants a person the exclusive right to use and exchange motor vehicles owned, directly or indirectly, by the person offering the agreement upon payment of a subscription fee.
 - Covers rental period, insurance, routine maintenance
 - Operating in NC: DriveFlow (Winston-Salem/Raleigh) and Volvo
 - Most automakers offer service in select US cities

Taxing TNCs

- NC does not tax per trip
- Airports are authorized to charge fee
 - CLT: \$1 pick up and drop off fee
 - PTI: \$1.50 pick up and drop off fee
 - RDU: \$1.50 pick up fee
 - AVL: \$3.50 pick up fee
- Cities and counties are prohibited from charging fees

States Taxing TNC Trips



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States Taxing TNCs

- 15 states tax TNC; +2 states apply tax to limited area
- Massachusetts first to tax in 2016 (\$0.20 per ride)
- Percentage based: Ranges from 0.25% - 7%
AL, CA, HI, MD, NV, NY, PA, RI, SC, SD, WY
- Per Ride Fee: Ranges from \$0.50- \$2
CT, CO, FL, GA, NJ, NM, PA
- Flat Annual Fee: AK, KY, NJ

NC Tax on Car Sharing and Subscriptions

Buy
vehicles,
long-term
leases

Highway
Trust Fund

Vehicle
Subscription
Service

General
Fund

Short-term
leases, car
sharing

Less \$10M
to HF,
General
Fund

3%

5%

8%

Highway Use Tax