

Item Title: Consideration of a \$2 Increase in the Regional Transit Authority Registration Tax Requested by GoTriangle

Specific Action Requested:

That the Board of Commissioners adopts the attached resolution authorizing the Research Triangle Regional Public Transportation Authority d/b/a GoTriangle (“GoTriangle”) to increase the levy of the Regional Transit Authority Registration Tax from \$8 to \$10.

Item Summary:

Purpose: Pursuant to NCGS 105-561, the Boards of Commissioners in Wake, Durham, and Orange counties must adopt a resolution authorizing any increase in the Vehicle Registration Tax levied by GoTriangle.

Background: State law authorizes public transportation authorities to levy an annual license tax on motor vehicles registered within their geographic jurisdiction. The funds may be used for expenses supporting public transportation systems. GoTriangle has levied the tax in Wake, Durham, and Orange Counties since 1991 when it was established by the General Assembly and initially capped at \$5. The General Assembly raised the cap to \$8 in 2009 and commissioners in Wake, Durham, and Orange have since authorized the additional \$3 levy. Revenues from the additional \$3 levy support the three county transit plans.

In 2024, at GoTriangle’s request, the State Legislature raised the cap from \$8 to \$10 (see House Bill 199, Session Law 2024-30). GoTriangle has requested authorization from the three counties to levy the additional \$2 to provide additional revenues to support GoTriangle operations.

Strategic Plan: This action supports Growth, Land Use and Environment Goal 2: Increase public transit ridership by 10% by 2029.

Fiscal Impact: This action authorizes GoTriangle to increase the Vehicle Registration Tax collected by the North Carolina Department of Motor Vehicles. The rate increase is projected to generate \$2.8 million in Fiscal Year 2026. These funds do not flow through, or impact, Wake County Government. The additional revenues generated will support GoTriangle’s operations. The funds would not be used to support projects in the Wake Transit Plan.

Additional Information:

A summary of the current and proposed Vehicle Registration taxes levied by GoTriangle is provided below:

Levying Entity	Authority	Rate	Annual Revenue	Use of funds
GoTriangle	Article 51	\$5	\$6.9 million	GoTriangle Operations
		\$3	\$4.1 million	\$3.0M: Wake Transit \$767K: Durham Transit \$364K: Orange Transit
Current Article 51 Totals:		\$8	\$11.0 million	GoTriangle, Transit Plans
<i>Proposed Increase</i>		<i>\$2</i>	<i>\$2.76 million</i>	<i>GoTriangle Operations</i>

In 2016, as part of the Wake County Transit Plan adoption, the Wake County Board of Commissioners conditioned a \$3 increase of the tax on GoTriangle dedicating 100% of the tax increase revenues to help fund projects included in the Wake County Transit Work Plan. The \$3 increase was identified as one of the recurring and dedicated revenue sources in the Governance ILA and Wake Transit Financial Plan to help fund Wake Transit.

The \$2 increase requested from GoTriangle in this item would be dedicated entirely to GoTriangle operating and capital expenses. It would not be used to fund projects in the Wake Transit Plan.

Procedural Requirements

In accordance with NCGS 150-561, GoTriangle may not levy the increase until the following requirements below have been met. The North Carolina Division of Motor Vehicles (NCDMV) may begin collections no sooner than the sixth month following completion of the requirements below. Assuming procedural requirements are satisfied in November 2024, collections could begin as soon as May 2025.

Completed

- GoTriangle Board of Trustees holds a public hearing on the tax increase.
- GoTriangle Special Tax Board adopts a resolution approving the increase.

Future

- Boards of Commissioners in Wake, Durham, and Orange adopt resolutions approving the increase.
- GoTriangle Board of Trustees adopts a resolution approving the increase.
- NC DMV begins collection no earlier than the first day of the sixth calendar month after the board of trustees adopts the resolution.

Attachments:

1. Resolution
2. Request Letter from GoTriangle