

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 346

Short Title: Roanoke Rapids Occupancy Tax.

(Local)

Sponsors: Representative Crawford (by request); and Church.

Referred to: Local and Regional Government I, if favorable, Finance.

February 27, 1997

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE CITY OF ROANOKE RAPIDS TO LEVY A ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX.

The General Assembly of North Carolina enacts:

Section 1. Occupancy tax. (a) **Authorization and scope.** The Roanoke Rapids City Council may by resolution, after not less than 10 days' public notice and after a public hearing held pursuant thereto, levy a room occupancy tax of up to three percent (3%) of the gross receipts derived from the rental of any room, lodging, or accommodation furnished by a hotel, motel, inn, tourist camp, or similar place within the city that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax. This tax does not apply to accommodations furnished by nonprofit charitable, educational, or religious organizations.

(b) **Collection.** Every operator of a business subject to the tax levied under this section shall, on and after the effective date of the levy of the tax, collect the tax. This tax shall be collected as part of the charge for furnishing a taxable accommodation. The tax shall be stated and charged separately from the sales records and shall be paid by the purchaser to the operator of the business as trustee for and on account of the city. The tax shall be added to the sales price and shall be passed on to the purchaser instead of being borne by the operator of the business. The city shall design, print, and furnish to all appropriate businesses and persons in the city the necessary forms for filing returns and

1 instructions to ensure the full collection of the tax. An operator of a business who  
2 collects the occupancy tax levied under this section may deduct from the amount remitted  
3 to the city a discount equal to the discount the State allows the operator for State sales  
4 and use tax.

5 (c) **Administration.** The city shall administer a tax levied under this  
6 section. A tax levied under this section is due and payable to the city finance officer in  
7 monthly installments on or before the 15th day of the month following the month in  
8 which the tax accrues. Every person, firm, corporation, or association liable for the tax  
9 shall, on or before the 15th day of each month, prepare and render a return on a form  
10 prescribed by the city. The return shall state the total gross receipts derived in the  
11 preceding month from rentals upon which the tax is levied.

12 A return filed with the city finance officer under this section is not a public  
13 record and may not be disclosed except in accordance with G.S. 160A-208.1.

14 (d) **Penalties.** A person, firm, corporation, or association who fails or  
15 refuses to file the return or pay the tax required by this section is subject to the civil and  
16 criminal penalties set by G.S. 105-236 for failure to pay or file a return for State sales and  
17 use taxes. The Roanoke Rapids City Council has the same authority to waive the  
18 penalties for a room occupancy tax that the Secretary of Revenue has to waive the  
19 penalties for State sales and use taxes.

20 (e) **Use of tax revenue.** Roanoke Rapids may use the proceeds of the  
21 occupancy tax only to fund public building capital improvements.

22 (f) **Effective date of levy.** A tax levied under this section shall become  
23 effective on the date specified in the resolution levying the tax. That date must be the  
24 first day of a calendar month, however, and may not be earlier than the first day of the  
25 second month after the date the resolution is adopted.

26 (g) **Repeal.** A tax levied under this section may be repealed by a resolution  
27 adopted by the Roanoke Rapids City Council. Repeal of a tax levied under this section  
28 shall become effective on the first day of a month and may not become effective until the  
29 end of the fiscal year in which the repeal resolution was adopted. Repeal of a tax levied  
30 under this section does not affect a liability for a tax that was attached before the effective  
31 date of the repeal, nor does it affect a right to a refund of a tax that accrued before the  
32 effective date of the repeal.

33 Section 2. This act is effective when it becomes law.