

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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HOUSE BILL 810  
Committee Substitute Favorable 4/21/97  
Senate Judiciary Committee Substitute Adopted 6/18/97

Short Title: Nash Room Tax/Rocky Mount Annex.

(Local)

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Sponsors:

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Referred to: Finance.

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April 7, 1997

A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE NASH COUNTY TO LEVY AN ADDITIONAL ROOM  
2 OCCUPANCY AND TOURISM DEVELOPMENT TAX AND TO ANNEX THE  
3 GOLD ROCK I-95 INTERCHANGE AREA INTO THE CITY OF ROCKY  
4 MOUNT.  
5

6 The General Assembly of North Carolina enacts:

7 Section 1. Nash Occupancy Tax. Section 1 of Chapter 32 of the 1987 Session  
8 Laws, as amended by Chapter 545 of the 1993 Session Laws, reads as rewritten:

9 "Section 1. Occupancy tax. (a) Authorization and scope. The Nash County  
10 Board of Commissioners may ~~by resolution, after not less than ten (10) days' public notice and~~  
11 ~~after a public hearing held pursuant thereto,~~ levy a room occupancy tax of three percent (3%)  
12 of the gross receipts derived from the rental of any room, lodging, or similar  
13 accommodation furnished by a hotel, motel, inn, or similar place within the county that is  
14 subject to sales tax imposed by the State under G.S. ~~105-164.4(3).~~ 105-164.4(a)(3). This  
15 tax is in addition to any State or local sales tax. This tax does not apply to  
16 accommodations furnished by nonprofit charitable, educational, or religious  
17 organizations.

1       (a1) Authorization of Additional Tax. In addition to the tax authorized by  
2 subsection (a) of this section, the Nash County Board of Commissioners may levy an  
3 additional room occupancy tax of up to three percent (3%) of the gross receipts derived  
4 from the rental of accommodations taxable under subsection (a). The levy, collection,  
5 administration, and repeal of the tax authorized by this subsection shall be in accordance  
6 with the provisions of this section. Nash County may not levy a tax under this subsection  
7 unless it also levies the tax authorized under subsection (a) of this section.

8       (b) Administration. A tax levied under this section shall be levied, administered,  
9 collected, and repealed as provided in G.S. 153A-155. The penalties provided in G.S.  
10 153A-155 apply to a tax levied under this section.

11       (b) ~~Collection.~~ Every operator of a business subject to the tax levied under this act  
12 shall, on and after the effective date of the levy of the tax, collect the tax. This tax shall  
13 be collected as part of the charge for furnishing a taxable accommodation. The tax shall  
14 be stated and charged separately from the sales records, and shall be paid by the  
15 purchaser to the operator of the business as trustee for and on account of the county. The  
16 tax shall be added to the sales price and shall be passed on to the purchaser instead of  
17 being borne by the operator of the business. The county shall design, print, and furnish to  
18 all appropriate businesses and persons in the county the necessary forms for filing returns  
19 and instructions to ensure the full collection of the tax. An operator of a business who  
20 collects the occupancy tax levied under this act may deduct from the amount remitted to  
21 the county a discount equal to the discount the State allows the operator for collecting  
22 State sales and use taxes.

23       (c) ~~Administration.~~ The county shall administer a tax levied under this act. A tax  
24 levied under this act is due and payable to the county finance officer in monthly  
25 installments on or before the 15th day of the month following the month in which the tax  
26 accrues. Every person, firm, corporation, or association liable for the tax shall, on or  
27 before the 15th day of each month, prepare and render a return on a form prescribed by  
28 the county. The return shall state the total gross receipts derived in the preceding month  
29 from rentals upon which the tax is levied.

30       A return filed with the county finance officer under this act is not a public record as  
31 defined by G.S. 132-1 and may not be disclosed except as required by law.

32       (d) ~~Penalties.~~ A person, firm, corporation, or association who fails or refuses to  
33 file the return required by this act is subject to the civil and criminal penalties set by G.S.  
34 105-236 for failure to pay or file a return for State sales and use taxes. The Board of  
35 Commissioners has the same authority to waive the penalties for a room occupancy tax  
36 that the Secretary of Revenue has to waive the penalties for State sales and use taxes.

37       (e) Distribution and use of tax revenue. Nash County shall, on a quarterly basis,  
38 remit the net proceeds of the occupancy tax ~~taxes~~ to the Nash Tourism Development  
39 ~~Authority.~~ Authority, itemized by tax. ~~The~~ Of the net proceeds of the tax levied under  
40 subsection (a) of this section, the Authority shall spend at least two-thirds of the funds  
41 ~~remitted to it under this subsection only~~ to promote travel and tourism in Nash County, and  
42 shall spend the remainder on tourism-related expenditures. The Authority shall spend the  
43 net proceeds of the tax levied under subsection (a1) of this section only to construct,

1 maintain, operate, or market a convention center. The following definitions apply in this  
2 subsection:

- 3 (1) Net proceeds. – Gross proceeds less the cost to the county of  
4 administering and collecting the tax, as determined by the finance  
5 officer, not to exceed seven percent (7%) of the amount collected.
- 6 (2) Promote travel and tourism. – To advertise or market an area or activity,  
7 publish and distribute pamphlets and other materials, conduct market  
8 research, or engage in similar promotional activities that attract tourists  
9 or business travelers to the area; the term includes administrative  
10 expenses incurred in engaging in the listed activities.
- 11 (3) Tourism-related expenditures. – Expenditures that are designed to  
12 increase the use of lodging facilities in a county or to attract tourists or  
13 business travelers to the county and expenditures incurred by the county  
14 in collecting the tax. The term includes expenditures to construct,  
15 maintain, operate, or market a convention center and other expenditures  
16 that, in the judgment of the Authority, will facilitate and support  
17 tourism.

18 ~~(f) Effective date of levy. A tax levied under this act shall become effective on~~  
19 ~~the date specified in the resolution levying the tax. That date must be the first day of a~~  
20 ~~calendar month, however, and may not be earlier than the first day of the second month~~  
21 ~~after the date the resolution is adopted.~~

22 ~~(g) Repeal. A tax levied under this act may be repealed by a resolution adopted by~~  
23 ~~the Nash County Board of Commissioners. Repeal of a tax levied under this act does not~~  
24 ~~affect a liability for a tax that was attached before the effective date of the repeal, nor~~  
25 ~~does it affect a right to a refund of a tax that accrued before the effective date of the~~  
26 ~~repeal."~~

27 Section 2. County administrative provisions. Section 3(b) of S.L. 1997-102  
28 reads as rewritten:

29 "(b) This section applies only to ~~Madison County.~~ Madison and Nash Counties."

30 Section 3. Gold Rock Annexation. (a) The corporate limits of the City of Rocky  
31 Mount are extended to include the Gold Rock I-95 interchange area as described below:  
32 Beginning at N.C.G.S. Monument "AVENT" having coordinates N=842,408.476 feet and  
33 E=2,351,974.00 feet North American Datum of 1983; thence N 69° 27'05" W a  
34 horizontal ground distance of 1833.62 feet to a point on the southern right-of-way of S.R.  
35 1522 (N.C. 4, I-95 BUS. LOOP) and the northeastern corner of Nash County ABC  
36 Board, THE POINT OF BEGINNING; thence along the property of Nash County ABC  
37 Board S 25°01'16"W 175.00 feet to a point on the northern property line of McLane  
38 Company, Inc.; thence along said property line the following six courses and distances: N  
39 65°00'53" W 80.17 feet to a point; thence S 24° 59'07" W 278.16 feet to a point; thence N  
40 65°00'53" W 250.00 feet to a point; thence N 65°43'09" W 666.62 feet to a point; thence  
41 S 24°14'24" W 363.08 feet to a point; thence N 71°49'49" W 400.34 feet to a point on the  
42 eastern right-of-way of Goldrock Road (N.C. HWY 48); thence N 71°49'49" W 48.53  
43 feet to a point; thence N 56°42'05" W 132.54 feet to a point where the western right-of-

1 way of Goldrock Road intersects the southern right-of-way of S.R. 1527; thence along  
2 the southern right-of-way of S.R. 1527, the following three courses and distances: N  
3 73°04'07" W 576.50 feet to a point; thence N 14°15'53" E 20.00 feet to a point; thence N  
4 80°06'07" W 371.90 feet to a point on the eastern right-of-way of Interstate 95, thence  
5 along the eastern right-of-way of Interstate 95 the following four courses and distances:  
6 N 38°18'51" E 127.97 feet to a point; thence N 42°46'54" E 370.70 feet to a point; thence  
7 N 53°36'38" E 97.40 feet to a point; thence N 56°05'42" E 528.44 feet to a point on the  
8 southern right-of-way of S.R. 1522; thence across S.R. 1522 N 56°09'54" E 321.63 feet  
9 to a point on the northern right-of-way of S.R. 1522; thence along a curve concave to the  
10 right having a radius of 876.93 feet and a chord bearing and distance of N 32°33'20" W  
11 164.83 feet to a point; thence along a curve concave to the right having a radius of 638.20  
12 feet and a chord bearing and distance of N 14°20'06" W 220.95 feet to a point; thence N  
13 09°26'54" E 198.70 feet to a point, thence N 15°28'54" E 179.36 feet to a point; thence N  
14 26°31'54" E 233.15 feet to a point in the southwestern corner of the property now or  
15 formerly owned by Harry A. Whitaker, Jr.; thence along the southern line of Harry A.  
16 Whitaker, S 54°03'06" E 853.10 feet to a point on the western right-of-way of Goldrock  
17 Road; thence S 57°08'52" E 59.31 feet to a point on the eastern right-of-way of Goldrock  
18 Road; thence along the property now or formerly owned by M.C. Braswell Heirs, Deed  
19 Book 220 Page 86, S 54°06'53" E 472.16 feet to a point; thence S 24°59'07" W 704.34  
20 feet to a point on the northern right-of-way of S.R. 1522; thence along S.R. 1522, S  
21 65°00'53" E 60.00 feet to a point; thence along the property of Hotel Ventures of  
22 Goldrock Inc., Deed Book 1331 Page 700, the following three courses and distances: N  
23 24°59'07" E 445.00 feet to a point; thence S 65°00'53" E 337.00 feet to a point; thence S  
24 24°59'07" W 445.00 feet to a point on the northern right-of-way of S.R. 1522; thence  
25 along S.R. 1522, S 65°00'53" E 472.38 feet to a point; thence S 25°01'16" W 171.00 feet  
26 to the Point of Beginning containing 71.70 acres and being in South Whitakers  
27 Township, Nash County, North Carolina and as shown on map by Joyner, Keeny &  
28 Associates entitled "Areas to be annexed to City of Rocky Mount" dated April 9, 1997.

29 (b) The corporate limits of the area annexed by subsection (a) of this section shall  
30 be considered satellite corporate limits within the meaning of Part 4 of Article 4A of  
31 Chapter 160A of the General Statutes. The corporate limits of the area annexed by  
32 subsection (a) of this section are not external boundaries for the purposes of Part 2 or 3 of  
33 Article 4A of Chapter 160A of the General Statutes until they are contiguous to the  
34 municipality.

35 (c) Real and personal property in the territory annexed pursuant to this section  
36 is subject to municipal taxes as provided in G.S. 160A-58.10.

37 (d) This section becomes effective only if the City Council of the City of Rocky  
38 Mount adopts an ordinance including the area described in subsection (a) of this section  
39 in the corporate limits of the City of Rocky Mount. The ordinance is effective at the date  
40 specified therein, but not later than July 1, 1998.

41 Section 4. This act is effective when it becomes law.