

1 (c) Collection. – Every operator of a business subject to a room occupancy tax
2 shall, on and after the effective date of the levy of the tax, collect the tax. The tax shall
3 be collected as part of the charge for furnishing a taxable accommodation. The tax shall
4 be stated and charged separately from the sales records and shall be paid by the
5 purchaser to the operator of the business as trustee for and on account of the taxing city.
6 The tax shall be added to the sales price and shall be passed on to the purchaser instead
7 of being borne by the operator of the business. The taxing city shall design, print, and
8 furnish to all appropriate businesses and persons in the city the necessary forms for
9 filing returns and instructions to ensure the full collection of the tax. An operator of a
10 business who collects a room occupancy tax may deduct from the amount remitted to
11 the taxing city a discount equal to the discount the State allows the operator for State
12 sales and use tax.

13 (d) Administration. – The taxing city shall administer a room occupancy tax it
14 levies. A room occupancy tax is due and payable to the city finance officer in monthly
15 installments on or before the fifteenth day of the month following the month in which
16 the tax accrues. Every person, firm, corporation, or association liable for the tax shall,
17 on or before the fifteenth day of each month, prepare and render a return on a form
18 prescribed by the taxing city. The return shall state the total gross receipts derived in the
19 preceding month from rentals upon which the tax is levied. A room occupancy tax
20 return filed with the city finance officer is not a public record and may not be disclosed
21 except in accordance with G.S. 153A-148.1 or G.S. 160A-208.1.

22 (e) Penalties. – A person, firm, corporation, or association who fails or refuses to
23 file a room occupancy tax return or pay a room occupancy tax as required by law is
24 subject to the civil and criminal penalties set by G.S. 105-236 for failure to pay or file a
25 return for State sales and use taxes. The governing board of the taxing city has the same
26 authority to waive the penalties for a room occupancy tax that the Secretary of Revenue
27 has to waive the penalties for State sales and use taxes.

28 (f) Repeal or Reduction. – A room occupancy tax levied by a city may be
29 repealed or reduced by a resolution adopted by the governing body of the city. Repeal or
30 reduction of a room occupancy tax shall become effective on the first day of a month
31 and may not become effective until the end of the fiscal year in which the resolution
32 was adopted. Repeal or reduction of a room occupancy tax does not affect a liability for
33 a tax that was attached before the effective date of the repeal or reduction, nor does it
34 affect a right to a refund of a tax that accrued before the effective date of the repeal or
35 reduction.

36 (g) This section applies only to Beech Mountain District W, to the Cities of
37 Archdale, Gastonia, Goldsboro, Greensboro, High Point, Kings Mountain, Lexington,
38 Lincolnton, Lumberton, Monroe, Mount Airy, Shelby, Statesville, and Washington, to
39 the Towns of Beech Mountain, Carrboro, Mooresville, North Topsail Beach, Selma,
40 Smithfield, St. Pauls, and Wilkesboro, and to the municipalities in Avery and
41 Brunswick Counties."

42 **SECTION 3.** This act is effective when it becomes law.