

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001**

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**SENATE BILL 92
Finance Committee Substitute Adopted 4/16/01
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Short Title: Various Local Occupancy Taxes.

(Public)

Sponsors:

Referred to:

February 7, 2001

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE VARIOUS MUNICIPALITIES AND COUNTIES TO
LEVY ROOM OCCUPANCY TAXES.

The General Assembly of North Carolina enacts:

PART I. CITY OF GASTONIA.

SECTION 1.1. Occupancy tax. – (a) Authorization and Scope. – The Gastonia City Council may 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 when furnished in furtherance of their nonprofit purpose.

SECTION 1.1.(b) Administration. – A tax levied under this section shall be levied, administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in G.S. 160A-215 apply to a tax levied under this section.

SECTION 1.1.(c) Distribution and Use of Tax Revenue. – The City of Gastonia shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Gastonia Tourism Development Authority. The Authority shall use at least two-thirds of the funds remitted to it under this subsection to promote travel and tourism in Gastonia and shall use the remainder for tourism-related expenditures.

The following definitions apply in this subsection:

- (1) Net proceeds. – Gross proceeds less the cost to the city of administering and collecting the tax, as determined by the finance officer, not to exceed three percent (3%) of the first five hundred

1 thousand dollars (\$500,000) of gross proceeds collected each year and
2 one percent (1%) of the remaining gross receipts collected each year.

3 (2) Promote travel and tourism. – To advertise or market an area or
4 activity, publish and distribute pamphlets and other materials, conduct
5 market research, or engage in similar promotional activities that attract
6 tourists or business travelers to the area; the term includes
7 administrative expenses incurred in engaging in these activities.

8 (3) Tourism-related expenditures. – Expenditures that, in the judgment of
9 the Tourism Development Authority, are designed to increase the use
10 of lodging facilities, meeting facilities, and convention facilities in a
11 city by attracting tourists or business travelers to the city. The term
12 includes tourism-related capital expenditures.

13 **SECTION 1.2.** Gastonia Tourism Development Authority. – (a)
14 Appointment and Membership. – When the Gastonia City Council adopts a resolution
15 levying a room occupancy tax under this Part, it shall also adopt a resolution creating a
16 city Tourism Development Authority, which shall be a public authority under the Local
17 Government Budget and Fiscal Control Act. The resolution shall provide for the
18 membership of the Authority including the members' terms of office and for the filling
19 of vacancies on the Authority. At least one-third of the members must be individuals
20 who are affiliated with businesses that collect the tax in the city and at least
21 three-fourths of the members must be individuals who are currently active in the
22 promotion of travel and tourism in the city. The city council shall designate one
23 member of the Authority as chair and shall determine the compensation, if any, to be
24 paid to members of the Authority.

25 The Authority shall meet at the call of the chair and shall adopt rules of
26 procedure to govern its meetings. The Finance Officer for the City of Gastonia shall be
27 the ex officio finance officer of the Authority.

28 **SECTION 1.2.(b)** Duties. – The Authority shall expend the net proceeds of
29 the tax levied under this Part for the purposes provided in this Part. The Authority shall
30 promote travel, tourism, and conventions in the city, sponsor tourist-related events and
31 activities in the city, and finance tourist-related capital projects in the city.

32 **SECTION 1.2.(c)** Reports. – The Authority shall report quarterly and at the
33 close of the fiscal year to the city council on its receipts and expenditures for the
34 preceding quarter and for the year in such detail as the board may require.

35 **PART II. CITY OF KINGS MOUNTAIN.**

36 **SECTION 2.1.** Occupancy tax. – (a) Authorization and Scope. – The Kings
37 Mountain City Council may levy a room occupancy tax of up to three percent (3%) of
38 the gross receipts derived from the rental of any room, lodging, or accommodation
39 furnished by a hotel, motel, inn, tourist camp, or similar place within the city that is
40 subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in
41 addition to any State or local sales tax. This tax does not apply to accommodations
42 furnished by nonprofit charitable, educational, or religious organizations when
43 furnished in furtherance of their nonprofit purpose.

1 **SECTION 2.1.(b)** Administration. – A tax levied under this section shall be
2 levied, administered, collected, and repealed as provided in G.S. 160A-215. The
3 penalties provided in G.S. 160A-215 apply to a tax levied under this section.

4 **SECTION 2.1.(c)** Distribution and Use of Tax Revenue. – Kings Mountain
5 shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Kings
6 Mountain Tourism Development Authority. The Authority shall use at least two-thirds
7 of the funds remitted to it under this subsection to promote travel and tourism in Kings
8 Mountain and shall use the remainder for tourism-related expenditures.

9 The following definitions apply in this subsection:

- 10 (1) Net proceeds. – Gross proceeds less the cost to the city of
11 administering and collecting the tax, as determined by the finance
12 officer, not to exceed three percent (3%) of the first five hundred
13 thousand dollars (\$500,000) of gross proceeds collected each year and
14 one percent (1%) of the remaining gross receipts collected each year.
- 15 (2) Promote travel and tourism. – To advertise or market an area or
16 activity, publish and distribute pamphlets and other materials, conduct
17 market research, or engage in similar promotional activities that attract
18 tourists or business travelers to the area; the term includes
19 administrative expenses incurred in engaging in the listed activities.
- 20 (3) Tourism-related expenditures. – Expenditures that, in the judgment of
21 the Tourism Development Authority, are designed to increase the use
22 of lodging facilities, meeting facilities, or convention facilities in a city
23 or to attract tourists or business travelers to the city. The term includes
24 tourism-related capital expenditures.

25 **SECTION 2.2.** Kings Mountain Tourism Development Authority. – (a)
26 Appointment and Membership. – When the Kings Mountain City Council adopts a
27 resolution levying a room occupancy tax under this Part, it shall also adopt a resolution
28 creating a city Tourism Development Authority, which shall be a public authority under
29 the Local Government Budget and Fiscal Control Act. The resolution shall provide for
30 the membership of the Authority, including the members' terms of office, and for the
31 filling of vacancies on the Authority. At least one-third of the members must be
32 individuals who are affiliated with businesses that collect the tax in the city, and at least
33 three-fourths of the members must be individuals who are currently active in the
34 promotion of travel and tourism in the city. The city council shall designate one
35 member of the Authority as chair and shall determine the compensation, if any, to be
36 paid to members of the Authority.

37 The Authority shall meet at the call of the chair and shall adopt rules of
38 procedure to govern its meetings. The Finance Officer for Kings Mountain shall be the
39 ex officio finance officer of the Authority.

40 **SECTION 2.2.(b)** Duties. – The Authority shall expend the net proceeds of
41 the tax levied under this Part for the purposes provided in this Part. The Authority shall
42 promote travel, tourism, and conventions in the city, sponsor tourist-related events and
43 activities in the city, and finance tourist-related capital projects in the city.

1 **SECTION 2.2.(c)** Reports. – The Authority shall report quarterly and at the
2 close of the fiscal year to the Kings Mountain City Council on its receipts and
3 expenditures for the preceding quarter and for the year in such detail as the city council
4 may require.

5 **PART III. CITY OF LINCOLNTON.**

6 **SECTION 3.1.** Occupancy tax. – (a) Authorization and Scope. – The
7 Lincolnton City Council may levy a room occupancy tax of up to three percent (3%) of
8 the gross receipts derived from the rental of any room, lodging, or accommodation
9 furnished by a hotel, motel, inn, tourist camp, or similar place within the city that is
10 subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in
11 addition to any State or local sales tax. This tax does not apply to accommodations
12 furnished by nonprofit charitable, educational, or religious organizations when
13 furnished in furtherance of their nonprofit purpose.

14 **SECTION 3.1.(b)** Administration. – A tax levied under this section shall be
15 levied, administered, collected, and repealed as provided in G.S. 160A-215. The
16 penalties provided in G.S. 160A-215 apply to a tax levied under this section.

17 **SECTION 3.1.(c)** Distribution and Use of Tax Revenue. – The City of
18 Lincolnton shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the
19 Lincolnton Tourism Development Authority. The Authority shall use at least two-thirds
20 of the funds remitted to it under this subsection to promote travel and tourism in
21 Lincolnton and shall use the remainder for tourism-related expenditures.

22 The following definitions apply in this subsection:

- 23 (1) Net proceeds. – Gross proceeds less the cost to the city of
24 administering and collecting the tax, as determined by the finance
25 officer, not to exceed three percent (3%) of the first five hundred
26 thousand dollars (\$500,000) of gross proceeds collected each year and
27 one percent (1%) of the remaining gross receipts collected each year.
- 28 (2) Promote travel and tourism. – To advertise or market an area or
29 activity, publish and distribute pamphlets and other materials, conduct
30 market research, or engage in similar promotional activities that attract
31 tourists or business travelers to the area; the term includes
32 administrative expenses incurred in engaging in the listed activities.
- 33 (3) Tourism-related expenditures. – Expenditures that, in the judgment of
34 the Tourism Development Authority, are designed to increase the use
35 of lodging facilities, meeting facilities, or convention facilities in a city
36 or to attract tourists or business travelers to the city. The term includes
37 tourism-related capital expenditures.

38 **SECTION 3.2.** – Lincolnton Development Authority. – (a) Appointment and
39 Membership. – When the Lincolnton City Council adopts a resolution levying a room
40 occupancy tax under this Part, it shall also adopt a resolution creating a city Tourism
41 Development Authority, which shall be a public authority under the Local Government
42 Budget and Fiscal Control Act. The resolution shall provide for the membership of the
43 Authority, including the members' terms of office, and for the filling of vacancies on the

1 Authority. At least one-third of the members must be individuals who are affiliated
2 with businesses that collect the tax in the city and at least three-fourths of the members
3 must be individuals who are currently active in the promotion of travel and tourism in
4 the city. The city council shall designate one member of the Authority as chair and
5 shall determine the compensation, if any, to be paid to members of the Authority.

6 The Authority shall meet at the call of the chair and shall adopt rules of
7 procedure to govern its meetings. The Finance Officer for Lincolnton shall be the ex
8 officio finance officer of the Authority.

9 **SECTION 3.2.(b) Duties.** – The Authority shall expend the net proceeds of
10 the tax levied under this Part for the purposes provided in this Part. The Authority shall
11 promote travel, tourism, and conventions in the city, sponsor tourist-related events and
12 activities in the city, and finance tourist-related capital projects in the city.

13 **SECTION 3.2.(c) Reports.** – The Authority shall report quarterly and at the
14 close of the fiscal year to the Lincolnton City Council on its receipts and expenditures
15 for the preceding quarter and for the year in such detail as the city council may require.

16 **PART IV. MONROE.**

17 **SECTION 4.1. Monroe occupancy tax.** – (a) Authorization and Scope. – The
18 Monroe City Council may levy a room occupancy tax of up to five percent (5%) of the
19 gross receipts derived from the rental of any room, lodging, or accommodation
20 furnished by a hotel, motel, inn, tourist camp, or similar place within the city that is
21 subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in
22 addition to any State or local sales tax. This tax does not apply to accommodations
23 furnished by nonprofit charitable, educational, or religious organizations when
24 furnished in furtherance of their nonprofit purpose.

25 **SECTION 4.1.(b) Administration.** – A tax levied under this section shall be
26 levied, administered, collected, and repealed as provided in G.S. 160A-215. The
27 penalties provided in G.S. 160A-215 apply to a tax levied under this section.

28 The tax collector may collect any unpaid taxes levied under this act through
29 the use of attachment and garnishment proceedings as provided in G.S. 105-368 for
30 collection of property taxes. The tax collector has the same enforcement powers
31 concerning the tax authorized by this act as the Secretary of Revenue in enforcing the
32 State sales tax under G.S. 105-164.30.

33 **SECTION 4.1.(c) Distribution and Use of Tax Revenue.** – The City of
34 Monroe shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the
35 Monroe Tourism Development Authority. For the first 10 years that funds are remitted
36 to the Authority under this section, the Authority shall use at least two-thirds of the
37 funds remitted to it under this subsection for tourism-related expenditures and shall use
38 the remainder to promote travel and tourism in Monroe. For funds remitted to it under
39 this section thereafter, the Authority shall use at least two-thirds of the funds remitted to
40 it under this section to promote travel and tourism and shall use the remainder for
41 tourism-related expenditures.

42 The following definitions apply in this subsection:

- 1 (1) Net proceeds. – Gross proceeds less the cost to the city of
2 administering and collecting the tax, as determined by the finance
3 officer, not to exceed three percent (3%) of the first five hundred
4 thousand dollars (\$500,000) of gross proceeds collected each year and
5 one percent (1%) of the remaining gross receipts collected each year.
- 6 (2) Promote travel and tourism. – To advertise or market an area or
7 activity, publish and distribute pamphlets and other materials, conduct
8 market research, or engage in similar promotional activities that attract
9 tourists or business travelers to the area; the term includes
10 administrative expenses incurred in engaging in the listed activities.
- 11 (3) Tourism-related expenditures. – Expenditures that, in the judgment of
12 the Tourism Development Authority, are designed to increase the use
13 of lodging facilities, meeting facilities, or convention facilities in a city
14 or to attract tourists or business travelers to the city. The term includes
15 tourism-related capital expenditures.

16 **SECTION 4.2.** Monroe Tourism Development Authority. – (a) Appointment
17 and Membership. – When the Monroe City Council adopts a resolution levying a room
18 occupancy tax under this Part, it shall also adopt a resolution creating a city Tourism
19 Development Authority, which shall be a public authority under the Local Government
20 Budget and Fiscal Control Act. The resolution shall provide for the membership of the
21 Authority, including the members' terms of office, and for the filling of vacancies on the
22 Authority. At least one-third of the members must be individuals who are affiliated
23 with businesses that collect the tax in the city and at least three-fourths of the members
24 must be individuals who are currently active in the promotion of travel and tourism in
25 the city. The city council shall designate one member of the Authority as chair and
26 shall determine the compensation, if any, to be paid to members of the Authority.

27 The Authority shall meet at the call of the chair and shall adopt rules of
28 procedure to govern its meetings. The Finance Officer for the City of Monroe shall be
29 the ex officio finance officer of the Authority.

30 **SECTION 4.2.(b)** Duties. – The Authority shall expend the net proceeds of
31 the tax levied under this Part for the purposes provided in this Part. The Authority shall
32 promote travel, tourism, and conventions in the city, sponsor tourist-related events and
33 activities in the city, and finance tourist-related capital projects in the city.

34 **SECTION 4.2.(c)** Reports. – The Authority shall report quarterly and at the
35 close of the fiscal year to the city council on its receipts and expenditures for the
36 preceding quarter and for the year in such detail as the city council may require.

37 **PART V. NORTH TOPSAIL BEACH.**

38 **SECTION 5.1.** Occupancy tax. – (a) Authorization and Scope. – The North
39 Topsail Beach City Council may levy a room occupancy tax of up to three percent (3%)
40 of the gross receipts derived from the rental of any room, lodging, or accommodation
41 furnished by a hotel, motel, inn, tourist camp, or similar place within the city that is
42 subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in
43 addition to any State or local sales tax. This tax does not apply to accommodations

1 furnished by nonprofit charitable, educational, or religious organizations when
2 furnished in furtherance of their nonprofit purpose.

3 **SECTION 5.1.(b)** Administration. – A tax levied under this section shall be
4 levied, administered, collected, and repealed as provided in G.S. 160A-215. The
5 penalties provided in G.S. 160A-215 apply to a tax levied under this section.

6 **SECTION 5.1.(c)** Distribution and Use of Tax Revenue. – North Topsail
7 Beach shall spend the net proceeds of the occupancy tax levied for beach nourishment.
8 The following definitions apply in this subsection:

9 (1) Net proceeds. – Gross proceeds less the cost to the city of
10 administering and collecting the tax, as determined by the finance
11 officer, not to exceed three percent (3%) of the first five hundred
12 thousand dollars (\$500,000) of gross proceeds collected each year and
13 one percent (1%) of the remaining gross receipts collected each year.

14 (2) Beach nourishment. – The placement of sand, from other sand sources,
15 the planting of vegetation, and the building of structures that are in
16 conformity with the North Carolina Coastal Management Program,
17 such as sand fences and dunes, on beaches along the Atlantic Ocean of
18 North Carolina for the purpose of widening the beach to benefit public
19 recreational use and mitigating damage and erosion from storms to
20 inland property. The term includes expenditures for the following:

- 21 a. Costs directly associated with qualifying for projects either
22 contracted through the U.S. Army Corps of Engineers or
23 otherwise permitted by all appropriate federal and State
24 agencies;
25 b. The nonfederal share of the cost required to construct these
26 projects; and
27 c. The costs associated with providing enhanced public beach
28 access.

29 **PART VI. PENDER COUNTY.**

30 **SECTION 6.1.** Pender County's authority to levy a tax under Chapter 970 of
31 the 1987 Session Laws is repealed effective on the effective date of a tax levied under
32 this Part. Repeal of a tax levied under this Part does not revive Pender County's
33 authority to levy a tax under Chapter 970 of the 1987 Session Laws.

34 **SECTION 6.2.** Pender County occupancy tax. – (a) Authorization and
35 Scope. – The Pender County Board of Commissioners may levy a room occupancy tax
36 of up to three percent (3%) of the gross receipts derived from the rental of any room,
37 lodging, or accommodation furnished by a hotel, motel, inn, tourist camp, or similar
38 place within the county that is subject to sales tax imposed by the State under G.S.
39 105-164.4(a)(3) and from the rental of private residences and cottages, whether or not
40 the residence or cottage is rented for fewer than 15 days. This tax is in addition to any
41 State or local sales tax.

1 **SECTION 6.2.(b)** Administration. – A tax levied under this section shall be
2 levied, administered, collected, and repealed as provided in G.S. 153A-155. The
3 penalties provided in G.S. 153A-155 apply to a tax levied under this section.

4 **SECTION 6.2.(c)** Distribution and Use of Tax Revenue. – Pender County
5 shall, on a quarterly basis, remit to Surf City the net proceeds of the occupancy tax
6 derived from accommodations in Surf City and shall remit to Topsail Beach the net
7 proceeds of the occupancy tax derived from accommodations in Topsail Beach. Surf
8 City and Topsail Beach shall spend the net proceeds of the occupancy tax levied under
9 this Part for beach nourishment. The remainder of the net proceeds derived from
10 accommodations in Pender County shall, on a quarterly basis, be remitted to the Pender
11 Tourism Development Authority. The Authority shall use at least two-thirds of the
12 funds remitted to it under this subsection to promote travel and tourism in Pender
13 County and shall use the remainder for tourism-related expenditures.

14 The following definitions apply in this subsection:

- 15 (1) Net proceeds. – Gross proceeds less the cost to the county of
16 administering and collecting the tax, as determined by the finance
17 officer, not to exceed three percent (3%) of the first five hundred
18 thousand dollars (\$500,000) of gross proceeds collected each year and
19 one percent (1%) of the remaining gross receipts collected each year.
- 20 (2) Promote travel and tourism. – To advertise or market an area or
21 activity, publish and distribute pamphlets and other materials, conduct
22 market research, or engage in similar promotional activities that attract
23 tourists or business travelers to the area; the term includes
24 administrative expenses incurred in engaging in these activities.
- 25 (3) Tourism-related expenditures. – Expenditures that, in the judgment of
26 the Tourism Development Authority, are designed to increase the use
27 of lodging facilities, meeting facilities, and convention facilities in a
28 county by attracting tourists or business travelers to the county. The
29 term includes tourism-related capital expenditures.
- 30 (4) Beach nourishment. – The placement of sand, from other sand sources,
31 the planting of vegetation, and the building of structures that are in
32 conformity with the North Carolina Coastal Management Program,
33 such as sand fences and dunes, on beaches along the Atlantic Ocean of
34 North Carolina for the purpose of widening the beach to benefit public
35 recreational use and mitigating damage and erosion from storms to
36 inland property. The term includes expenditures for the following:
 - 37 a. Costs directly associated with qualifying for projects either
38 contracted through the U.S. Army Corps of Engineers or
39 otherwise permitted by all appropriate federal and State
40 agencies;
 - 41 b. The nonfederal share of the cost required to construct these
42 projects; and
 - 43 c. Costs associated with providing enhanced public beach access.

1 **SECTION 6.3.** Pender Tourism Development Authority. – (a) Appointment
2 and Membership. – When the board of commissioners adopts a resolution levying a
3 room occupancy tax under this Part, it shall also adopt a resolution creating a county
4 Tourism Development Authority, which shall be a public authority under the Local
5 Government Budget and Fiscal Control Act. The resolution shall provide for the
6 membership of the Authority, including the members' terms of office, and for the filling
7 of vacancies on the Authority. At least one-third of the members must be individuals
8 who are affiliated with businesses that collect the tax in the county and at least three-
9 fourths of the members must be individuals who are currently active in the promotion of
10 travel and tourism in the county. The board of commissioners shall designate one
11 member of the Authority as chair and shall determine the compensation, if any, to be
12 paid to members of the Authority.

13 The Authority shall meet at the call of the chair and shall adopt rules of
14 procedure to govern its meetings. The Finance Officer for Pender County shall be the ex
15 officio finance officer of the Authority.

16 **SECTION 6.3.(b)** Duties. – The Authority shall expend the net proceeds of
17 the tax remitted to it under this Part for the purposes provided in this Part. The
18 Authority shall promote travel, tourism, and conventions in the county, sponsor
19 tourist-related events and activities in the county, and finance tourist-related capital
20 projects in the county.

21 **SECTION 6.3.(c)** Reports. – The Authority shall report quarterly and at the
22 close of the fiscal year to the board of commissioners on its receipts and expenditures
23 for the preceding quarter and for the year in such detail as the board may require.

24 **PART VII. DARE COUNTY.**

25 **SECTION 7.1.** Section 1(a) of Chapter 449 of the 1985 Session Laws, as
26 amended by Chapter 826 of the 1985 Session Laws and Chapters 177 and 906 of the
27 1991 Session Laws, reads as rewritten:

28 "Section 1. Occupancy Tax. (a) Authorization and Scope. The Dare County Board
29 of Commissioners may ~~by resolution, after not less than 10 days' public notice and after~~
30 ~~a public hearing held pursuant thereto,~~ levy a room occupancy tax of three percent (3%)
31 of the gross receipts derived from the rental of the following in Dare County:

- 32 (1) Any room, lodging, or similar accommodation subject to sales tax
33 under G.S. 105-164.4(a)(3); and
34 (2) A campsite.

35 This tax does not apply to accommodations furnished by nonprofit charitable,
36 educational, or religious organizations when furnished in furtherance of their nonprofit
37 purpose. This tax is in addition to any State or local sales tax."

38 **SECTION 7.2.** Section 1(b) of Chapter 449 of the 1985 Session Laws, as
39 amended by Chapter 826 of the 1985 Session Laws and Chapters 177 and 906 of the
40 1991 Session Laws, reads as rewritten:

41 "(b) Administration. – A tax levied under this act shall be levied, administered,
42 collected, and repealed as provided in G.S. 153A-155. The penalties provided in G.S.
43 153A-155 apply to a tax levied under this act. ~~Collection. Every operator of a business~~

1 subject to the tax levied under this act shall, on and after the effective date of the levy of
2 the tax, collect the tax. This tax shall be collected as part of the charge for furnishing a
3 taxable accommodation. The tax shall be stated and charged separately from the sales
4 records, and shall be paid by the purchaser to the operator of the business as trustee for
5 and on account of Dare County. The tax shall be added to the sales price and shall be
6 passed on to the purchaser instead of being borne by the operator of the business. The
7 Dare County Tax Collector shall design, print, and furnish to all appropriate businesses
8 and persons in the county the necessary forms for filing returns and instructions to
9 ensure the full collection of the tax."

10 **SECTION 7.3.** Section 1(c) of Chapter 449 of the 1985 Session Laws, as
11 amended by Chapter 826 of the 1985 Session Laws and Chapters 177 and 906 of the
12 1991 Session Laws is repealed.

13 **SECTION 7.4.** Section 1(f) of Chapter 449 of the 1985 Session Laws, as
14 amended by Chapter 826 of the 1985 Session Laws and Chapters 177 and 906 of the
15 1991 Session Laws is repealed.

16 **SECTION 7.5.** Section 2 of Chapter 449 of the 1985 Session Laws, as
17 amended by Chapter 826 of the 1985 Session Laws and Chapters 177 and 906 of the
18 1991 Session Laws reads as rewritten:

19 Sec. 2. Definitions. The definitions in G.S. 105-164.3 apply in this act. In addition,
20 the following definitions apply in this act:

- 21 (1) Net proceeds. Gross proceeds less the cost to the county of
22 administering and collecting the tax.
- 23 (2) Prepared food and beverages. Meals, food, and beverages which a
24 retailer has added value to or whose state has been altered (other than
25 solely by cooling) by preparing, combining, dividing, heating, or
26 serving, in order to make them available for immediate consumption.
- 27 (3) Beach nourishment. – The placement of sand, from other sand sources,
28 the planting of vegetation, and the building of structures that are in
29 conformity with the North Carolina Coastal Management Program,
30 such as sand fences and dunes, on beaches along the Atlantic Ocean of
31 North Carolina for the purpose of widening the beach to benefit public
32 recreational use and mitigating damage and erosion from storms to
33 inland property. The term includes expenditures for the following:
 - 34 a. Costs directly associated with qualifying for projects either
35 contracted through the U.S. Army Corps of Engineers or
36 otherwise permitted by all appropriate federal and State
37 agencies;
 - 38 b. The nonfederal share of the cost required to construct these
39 projects; and
 - 40 c. Costs associated with providing enhanced public beach access.

41 **SECTION 7.6.** Chapter 449 of the 1985 Session Laws, as amended by
42 Chapter 826 of the 1985 Session Laws and Chapters 177 and 906 of the 1991 Session
43 Laws is amended by adding a new section to read:

1 "Sec. 3.1. Supplemental Occupancy Tax. In addition to the taxes authorized by
2 Section 1 and 3 of this act, the Dare County Board of Commissioners may levy a room
3 occupancy tax of one percent (1%) of the gross receipts derived from the rental of
4 accommodations taxable under Section 1 of this act. The county may not levy a tax
5 under this section unless it also levies the taxes under Sections 1 and 3 of this act. The
6 levy, collection, administration, and repeal of the tax authorized by this section shall be
7 in accordance with Section 1 of this act. The county shall use the net proceeds of the tax
8 authorized by this section for beach nourishment."

9 **SECTION 7.7.** Section 5 of Chapter 449 of the 1985 Session Laws, as
10 amended by Chapter 826 of the 1985 Session Laws and Chapters 177 and 906 of the
11 1991 Session Laws is repealed.

12 **PART VIII. ROWAN ADMINISTRATIVE CHANGES.**

13 **SECTION 8.1.** Section 1 of Chapter 379 of the 1987 Session Laws, as
14 amended by Chapter 882 of the 1991 Session Laws, reads as rewritten:

15 "Section 1. – Occupancy tax. (a) Authorization and scope. – The Rowan County
16 Board of Commissioners may ~~by resolution, after not less than 10 days' public notice~~
17 ~~and after a public hearing held pursuant thereto,~~ levy a room occupancy tax of up to
18 three percent (3%) of the gross receipts derived from the rental of any room, lodging, or
19 similar accommodation furnished by a hotel, motel, inn, or similar place within the
20 county that is subject to sales tax imposed by the State under G.S. 405-164.4(3).
21 105-164.4(a)(3). This tax is in addition to any State or local sales tax. This tax does not
22 apply to accommodations furnished by nonprofit charitable, educational, or religious
23 organizations.

24 (b) Collection. ~~Every operator of a business subject to the tax levied under this~~
25 ~~section shall, on and after the effective date of the levy of the tax, collect the tax. This~~
26 ~~tax shall be collected as part of the charge for furnishing a taxable accommodation. The~~
27 ~~tax shall be stated and charged separately from the sales records, and shall be paid by~~
28 ~~the purchaser to the operator of the business as trustee for and on account of the county.~~
29 ~~The tax shall be added to the sales price and shall be passed on to the purchaser instead~~
30 ~~of being borne by the operator of the business. The county shall design, print, and~~
31 ~~furnish to all appropriate businesses and persons in the county the necessary forms for~~
32 ~~filing returns and instructions to ensure the full collection of the tax. An operator of a~~
33 ~~business who collects the occupancy tax levied under this section may deduct from the~~
34 ~~amount remitted to the county a discount of three percent (3%) of the amount collected.~~

35 (c) Administration. – A tax levied under this section shall be levied,
36 administered, collected, and repealed as provided in G.S. 153A-155. The penalties
37 provided in G.S. 153A-155 apply to a tax levied under this section. The county shall
38 administer a tax levied under this section. A tax levied under this section is due and
39 payable to the county finance officer in monthly installments on or before the 15th day
40 of the month following the month in which the tax accrues. Every person, firm,
41 corporation, or association liable for the tax shall, on or before the 15th day of each
42 month, prepare and render a return on a form prescribed by the county. The return shall
43 state the total gross receipts derived in the preceding month from rentals upon which the

1 tax is levied. The board of commissioners shall appoint a board to oversee the
2 operations of the Rowan County Convention and Visitors Bureau. Appointments to the
3 board shall be made by the board of commissioners for specified terms as outlined in
4 the bylaws of the Bureau.

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

7 (d) Penalties.—A person, firm, corporation, or association who fails or refuses to
8 file the return required by this section shall pay a penalty of ten dollars (\$10.00) for
9 each day's omission. In case of failure or refusal to file the return or pay the tax for a
10 period of 30 days after the time required for filing the return or for paying the tax, there
11 shall be an additional tax, as a penalty, of five percent (5%) of the tax due in addition to
12 any other penalty, with an additional tax of five percent (5%) for each additional month
13 or fraction thereof until the tax is paid.

14 Any person who willfully attempts in any manner to evade a tax imposed under this
15 section or who willfully fails to pay the tax or make and file a return shall, in addition to
16 all other penalties provided by law, be guilty of a misdemeanor and shall be punishable
17 by a fine not to exceed one thousand dollars (\$1,000), imprisonment not to exceed six
18 months, or both. The board of commissioners may, for good cause shown, compromise
19 or forgive the penalties imposed by this subsection.

20 (e) Distribution and use of tax revenue. — Rowan County shall apply the net
21 proceeds of the occupancy tax to the purposes provided in this subsection. The county
22 shall, on a ~~quarterly~~ monthly basis, remit the net proceeds of the occupancy tax to the
23 Rowan County ~~Convention and Visitors Bureau~~. Tourism Development Authority. The
24 ~~Bureau~~ Authority shall spend funds remitted to it under this subsection only to promote
25 travel, tourism, and conventions in Rowan County and to sponsor tourist-oriented
26 events and activities in Rowan County. The ~~Bureau~~ Authority may not spend any of the
27 funds for construction, improvement, or maintenance of real property or for any other
28 capital project. The ~~Bureau~~ Authority shall report ~~quarterly~~ and at the close of the fiscal
29 year to the board of commissioners on its receipts and expenditures for the ~~preceding~~
30 ~~quarter and for the year~~ in such detail as the board may require.

31 As used in this subsection, 'net proceeds' means gross proceeds less the cost to the
32 county of administering and collecting the tax, as determined by the finance officer.

33 (f) ~~Effective date of levy.~~—A tax levied under this section shall become
34 effective on the date specified in the resolution levying the tax. That date must be the
35 first day of a calendar month, however, and may not be earlier than the first day of the
36 second month after the date the resolution is adopted.

37 (g) ~~Repeal.~~—A tax levied under this section may be repealed by a resolution
38 adopted by the Rowan County Board of Commissioners. Repeal of a tax levied under
39 this section shall become effective on the first day of a month and may not become
40 effective until the end of the fiscal year in which the repeal resolution was adopted.
41 Repeal of a tax levied under this section does not affect a liability for a tax that was
42 attached before the effective date of the repeal, nor does it affect a right to a refund of a
43 tax that accrued before the effective date of the repeal."

1 **SECTION 8.2.** Chapter 379 of the 1987 Session Laws, as amended by
2 Chapter 882 of the 1991 Session Laws, is amended by adding a new section to read:

3 "Section 1.1. Establishment, Appointment, and Duties of Tourism Authority. (a)
4 The board of commissioners shall adopt a resolution establishing and creating the
5 Rowan County Tourism Development Authority, which shall be a public authority
6 under the Local Government Budget and Fiscal Control Act and shall be composed of
7 the following 11 members appointed by the board of commissioners:

8 (1) A county commissioner or his or her designee.

9 (2) A member of the Salisbury City Council or his or her designee.

10 (3) Two owners, operators, or representatives of hotels, motels, or other
11 taxable tourist accommodations.

12 (4) Two individuals to represent all bona fide Rowan County sites and
13 attractions, to be selected from those sites and attractions.

14 (5) One individual to represent the Rowan County Chamber of
15 Commerce, either the chair of the board or the chair's designee.

16 (6) Four individuals who have an interest in tourism development and do
17 not own or operate hotels, motels, or other taxable tourist
18 accommodations.

19 The board of commissioners shall appoint all members of the Tourism Development
20 Authority, except for the City of Salisbury appointee, who shall be appointed directly by
21 the Salisbury City Council from its council members. The term of office of each
22 member of the Authority shall be two years. Members may serve no more than two
23 consecutive terms. All members of the Authority shall serve without compensation.

24 (b) In addition to any other powers and duties of the Authority otherwise
25 conferred by law, the authority may contract with any person, firm, or agency to advise
26 and assist it in the promotion of travel and tourism and to carry out the purposes
27 identified in Section 1 of this act. The Authority may accept contributions from any
28 source to be used for the purposes stated in Section 1 of this act."

29 **PART IX. TOWN OF WILKESBORO.**

30 **SECTION 9.1.** Occupancy tax. – (a) Authorization and Scope. – The
31 Wilkesboro Board of Town Commissioners may levy a room occupancy tax of up to
32 three percent (3%) of the gross receipts derived from the rental of any room, lodging, or
33 accommodation furnished by a hotel, motel, inn, tourist camp, or similar place within
34 the town that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3).
35 This tax is in addition to any State or local sales tax. This tax does not apply to
36 accommodations furnished by nonprofit charitable, educational, or religious
37 organizations when furnished in furtherance of their nonprofit purpose.

38 **SECTION 9.1.(b)** Administration. – A tax levied under this section shall be
39 levied, administered, collected, and repealed as provided in G.S. 160A-215. The
40 penalties provided in G.S. 160A-215 apply to a tax levied under this section.

41 **SECTION 9.1.(c)** Distribution and Use of Tax Revenue. – The Town of
42 Wilkesboro shall, on a quarterly basis, remit the net proceeds of the occupancy tax to
43 the Wilkesboro Tourism Development, Convention, and Visitors Bureau. The Bureau

1 shall use at least two-thirds of the funds remitted to it under this subsection to promote
2 travel and tourism in Wilkesboro and shall use the remainder for tourism-related
3 expenditures.

4 The following definitions apply in this subsection:

- 5 (1) Net proceeds. – Gross proceeds less the cost to the town of
6 administering and collecting the tax, as determined by the finance
7 officer, not to exceed three percent (3%) of the first five hundred
8 thousand dollars (\$500,000) of gross proceeds collected each year and
9 one percent (1%) of the remaining gross receipts collected each year.
- 10 (2) Promote travel and tourism. – To advertise or market an area or
11 activity, publish and distribute pamphlets and other materials, conduct
12 market research, or engage in similar promotional activities that attract
13 tourists or business travelers to the area, including the operation of a
14 visitors' center. The term includes administrative expenses incurred in
15 engaging in the listed activities.
- 16 (3) Tourism-related expenditures. – Expenditures that, in the judgment of
17 the Bureau, are designed to increase the use of lodging facilities,
18 meeting facilities, or convention facilities in a town or to attract
19 tourists or business travelers to the town. The term includes
20 tourism-related capital expenditures.

21 **SECTION 9.2.** Wilkesboro Tourism Development, Convention, and Visitors
22 Bureau. – (a) Appointment and Membership. – When the Wilkesboro Board of Town
23 Commissioners adopts a resolution levying a room occupancy tax under this Part, it
24 shall also adopt a resolution creating the Wilkesboro Tourism Development,
25 Convention, and Visitors Bureau, which shall be a public authority under the Local
26 Government Budget and Fiscal Control Act. The resolution shall provide that the board
27 of town commissioners shall appoint members of the Bureau for one-year terms and
28 shall provide for the filling of vacancies on the Bureau. At least one-third of the
29 members must be individuals who are affiliated with businesses that collect the tax in
30 the town and at least three-fourths of the members must be individuals who are
31 currently active in the promotion of travel and tourism in the town. The board of town
32 commissioners shall designate one member of the Bureau as chair and shall determine
33 the compensation, if any, to be paid to members of the Bureau.

34 The Bureau shall meet at the call of the chair and shall adopt rules of
35 procedure to govern its meetings. The Finance Officer for the Town of Wilkesboro shall
36 be the ex officio finance officer of the Bureau.

37 **SECTION 9.2.(b)** Duties. – The Bureau shall expend the net proceeds of the
38 tax levied under this Part for the purposes provided in this Part. The Bureau shall
39 promote travel, tourism, and conventions in the town, sponsor tourist-related events and
40 activities in the town, and finance tourist-related capital projects in the town.

41 **SECTION 9.2.(c)** Reports. – The Bureau shall report quarterly and at
42 the close of the fiscal year to the board of town commissioners on its receipts and

1 expenditures for the preceding quarter and for the year in such detail as the board of
2 town commissioners may require.

3 **PART XI. AVERASBORO TOWNSHIP IN HARNETT COUNTY.**

4 **SECTION 11.1.** Section 1 of Chapter 142 of the 1987 Session Laws reads as
5 rewritten:

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

15 (a1) Additional Occupancy Tax. – In addition to the tax authorized by subsection
16 (a) of this section, the Harnett County Board of Commissioners may levy a room
17 occupancy tax of three percent (3%) of the gross receipts derived from the rental of
18 accommodations taxable under that subsection. The county may not levy a tax under
19 this section unless it also levies the tax under subsection (a) of this section. A tax levied
20 under this section may not become effective before the first day of the second month
21 after the resolution levying the tax is adopted. The levy, collection, administration, and
22 repeal of the tax authorized by this subsection shall be in accordance with this section.

23 (b) Administration. – A tax levied under this act shall be levied, administered,
24 collected, and repealed as provided in G.S. 153A-155. The penalties provided in G.S.
25 153A-155 apply to a tax levied under this act. Collection. Every operator of a business
26 subject to the tax levied under this act shall, on and after the effective date of the levy of
27 the tax, collect the tax. This tax shall be collected as part of the charge for furnishing a
28 taxable accommodation. The tax shall be stated and charged separately from the sales
29 records, and shall be paid by the purchaser to the operator of the business as trustee for
30 and on account of the township. The tax shall be added to the sales price and shall be
31 passed on to the purchaser instead of being borne by the operator of the business. As
32 compensation for collecting a tax levied under this act, the operator of a business
33 subject to the tax may retain three percent (3%) of the total tax collected by the operator
34 each month.

35 (c) Administration. For the purpose of levying and administering the tax
36 authorized by this act, Averasboro Township shall be a body politic and corporate and
37 shall have the power to carry out the provisions of this act. The Harnett County Board
38 of Commissioners shall serve, ex officio, as the governing body of the Township, and
39 the officers of the board of commissioners shall serve as the officers of the governing
40 body of the township. A simple majority of the governing body constitutes a quorum,
41 and approval by a majority of those present is sufficient to determine any matter before
42 the governing body, if a quorum is present.

1 The Harnett County Board of Commissioners, as the governing body of Averasboro
2 Township, shall administer a tax levied under this act. A tax levied under this act is due
3 and payable to the county finance officer in monthly installments on or before the 15th
4 day of the month following the month in which the tax accrues. The township shall
5 design, print, and furnish to all appropriate businesses and persons in the township the
6 necessary forms for filing returns and instructions to ensure the full collection of the tax.
7 Every person, firm, corporation, or association liable for the tax shall, on or before the
8 15th day of each month, prepare and render a return on a form prescribed by the
9 township. The return shall state the total gross receipts derived in the preceding month
10 from rentals upon which the tax is levied.

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

13 (d) Penalties. A person, firm, corporation, or association who fails or refuses to
14 file the return required by this act shall pay a penalty of ten dollars (\$10.00) for each
15 day's omission. In case of failure or refusal to file the return or pay the tax for a period
16 of thirty (30) days after the time required for filing the return or for paying the tax, there
17 shall be an additional tax, as a penalty, of five percent (5%) of the tax due for each
18 additional month or fraction thereof until the tax is paid.

19 Any person who willfully attempts in any manner to evade a tax imposed under this
20 act or who willfully fails to pay the tax or make and file a return shall, in addition to all
21 other penalties provided by law, be guilty of a misdemeanor and shall be punishable by
22 a fine not to exceed one thousand dollars (\$1,000), imprisonment not to exceed six
23 months, or both. The board of commissioners may, for good cause shown, compromise
24 or forgive the penalties imposed by this subsection.

25 (e) Distribution and use of tax revenue. = The township shall, on a quarterly
26 basis, remit the net proceeds of the occupancy tax to the Averasboro Township Tourism
27 Development Authority. The Authority may spend funds remitted to it under this
28 subsection only to develop, promote, and advertise travel and tourism in Averasboro
29 Township, to sponsor tourist oriented events and activities for Averasboro Township, to
30 operate and maintain museums and historic sites throughout Averasboro Township, and
31 to purchase, operate, and maintain a convention facility for Averasboro Township. As
32 used in this subsection, "net proceeds" means gross proceeds less the cost to the
33 township of administering and collecting the tax, as determined by the finance officer.
34 shall use at least two-thirds of the funds remitted to it under this subsection to promote
35 travel and tourism in Averasboro Township and shall use the remainder for tourism-
36 related expenditures.

37 The following definitions apply in this subsection:

- 38 (1) Net proceeds. – Gross proceeds less the cost to the township of
39 administering and collecting the tax, as determined by the finance
40 officer, not to exceed three percent (3%) of the first five hundred
41 thousand dollars (\$500,000) of gross proceeds collected each year and
42 one percent (1%) of the remaining gross receipts collected each year.

1 (2) Promote travel and tourism. – To advertise or market an area or
2 activity, publish and distribute pamphlets and other materials, conduct
3 market research, or engage in similar promotional activities that attract
4 tourists or business travelers to the area; the term includes
5 administrative expenses incurred in engaging in the listed activities.

6 (3) Tourism-related expenditures. – Expenditures that, in the judgment of
7 the Tourism Development Authority, are designed to increase the use
8 of lodging facilities, meeting facilities, or convention facilities in a
9 township or to attract tourists or business travelers to the township.
10 The term includes tourism-related capital expenditures.

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

15 ~~(g) Repeal. A tax levied under this act may be repealed by a resolution adopted~~
16 ~~by the Harnett County Board of Commissioners. Repeal of a tax levied under this act~~
17 ~~does not affect a liability for a tax that attached before the effective date of the repeal,~~
18 ~~nor does it affect a right to a refund of a tax that accrued before the effective date of the~~
19 ~~repeal."~~

20 **PART XII. RICHMOND COUNTY.**

21 **SECTION 12.1.** Chapter 969 of the 1987 Session Laws reads as rewritten:

22 "Section 1. Levy of Tax. – (a) The Board of Commissioners of Richmond County
23 may by resolution levy a room occupancy and tourism development tax.

24 ~~(b) Collection of the tax and liability therefor, shall begin and continue only on~~
25 ~~and after the first day of a calendar month set by the board of county commissioners in~~
26 ~~the resolution levying the tax, which in no case may be earlier than the first day of the~~
27 ~~succeeding calendar month after the date of adoption of the resolution.~~

28 ~~Sec. 2. Occupancy Tax. The county room occupancy and tourism development tax~~
29 ~~that may be levied under this act shall be tax of three percent (3%) of the gross receipts~~
30 ~~derived from the rental of any room, lodging, or similar accommodation furnished by~~
31 ~~any hotel, motel, inn, tourist camp or other similar place within the county now subject~~
32 ~~to the three percent (3%) sales tax imposed by the State under G.S. 105-164(3). G.S.~~
33 ~~105-164.4(a)(3). This tax is in addition to any local sales tax. This tax does not apply~~
34 ~~to gross receipts derived by the following entities from accommodations furnished by~~
35 ~~them:~~

- 36 (1) Religious organizations;
- 37 (2) Educational organizations;
- 38 (3) Any business that offers to rent fewer than five units; and
- 39 (4) Summer camps.

40 Sec. 2. Additional Occupancy Tax. – In addition to the tax authorized by Section 1
41 of this act, the Richmond County Board of Commissioners may levy a room occupancy
42 and tourism development tax of three percent (3%) of the gross receipts derived from
43 the rental of accommodations taxable under that section. The levy, collection,

1 administration, use, and repeal of the tax authorized by this section shall be in
2 accordance with this act. Richmond County may not levy a tax under this section unless
3 it also levies a tax under Section 1 of this act.

4 Sec. 3. Administration of Tax. = A tax levied under this act shall be levied,
5 administered, collected, and repealed as provided in G.S. 153A-155. The penalties
6 provided in G.S. 153A-155 apply to a tax levied under this act. (a) Any tax levied under
7 this act is due and payable to the county in monthly installments on or before the 15th
8 day of the month following the month in which the tax accrues. Every person, firm,
9 corporation, or association liable for the tax shall, on or before the 15th day of each
10 month, prepare and render a return on a form prescribed by the county. The return shall
11 state the total gross receipts derived in the preceding month from rentals upon which the
12 tax is levied.

13 (b) Any person, firm, corporation, or association who fails or refuses to file the
14 return required by this act shall pay a penalty of ten dollars (\$10.00) for each day's
15 omission.

16 (c) In case of failure or refusal to file the return or pay the tax for a period of 30
17 days after the time required for filing the return or for paying the tax, there shall be an
18 additional tax, as a penalty, of five percent (5%) of the tax due in addition to the penalty
19 prescribed in subsection (b), with an additional tax of five percent (5%) for each
20 additional month or fraction thereof until the occupancy tax is paid.

21 (d) Any person who willfully attempts in any manner to evade the occupancy tax
22 imposed under this act or who willfully fails to pay the tax or make and file a return
23 shall, in addition to all other penalties provided by law, be guilty of a misdemeanor and
24 shall be punished by a fine not to exceed one thousand dollars (\$1,000), imprisonment
25 not to exceed six months, or both.

26 Sec. 4. Collection of Tax. Every operator of a business subject to a tax levied under
27 this act shall, on and after the effective date of the levy of the tax, collect the three
28 percent (3%) room occupancy tax. This tax shall be collected as part of the charge for
29 the furnishing of any taxable accommodation. The tax shall be stated and charged
30 separately from the sales records, and shall be paid by the purchaser to the operator of
31 the business as trustee for and on account of Richmond County. The room occupancy
32 tax levied pursuant to this act shall be added to the sales price and shall be passed on to
33 the purchaser instead of being borne by the operator of the business. The county shall
34 design, print, and furnish to all appropriate businesses in Richmond County the
35 necessary forms for filing returns and instructions to ensure the full collection of the tax.

36 An operator of a business who collects the occupancy tax levied under this act may
37 deduct from the amount remitted to the county a discount of three percent (3%) of the
38 amount collected.

39 Sec. 5. Disposition of Taxes Collected. = (a) Richmond County shall remit the net
40 proceeds of the occupancy tax to the county Richmond County Tourism Development
41 Authority in Richmond County. Authority. "Net proceeds" means gross proceeds less
42 the cost to the county of administering and collecting the tax, which may not exceed
43 three percent (3%) of the collected tax.

1 (b) The Tourism Development Authority shall use fifty percent (50%) of the
2 funds remitted to it under Sections 1 and 2 to promote travel and tourism in Richmond
3 County and shall use the remaining fifty percent (50%) for tourism-related expenditures
4 in the City of Rockingham that are mutually agreed upon by the Richmond County
5 Tourism Development Authority and the Rockingham City Council.~~may expend any~~
6 ~~funds distributed to it pursuant to subsection (a) only to further the development of~~
7 ~~travel, tourism, and conventions in the county through State, national, and international~~
8 ~~advertising and promotion.~~ The Authority may not use more than ~~twenty-five percent~~
9 ~~(25%)~~ fifteen percent (15%) of the funds distributed to it pursuant to subsection (a) for
10 administrative expenses of the Authority.

11 (c) The following definitions apply in this act:

- 12 (1) Net proceeds. – Gross proceeds less the cost to the county of
13 administering and collecting the tax, as determined by the finance
14 officer, not to exceed three percent (3%) of the first five hundred
15 thousand dollars (\$500,000) of gross proceeds collected each year and
16 one percent (1%) of the remaining gross receipts collected each year.
- 17 (2) Promote travel and tourism. – To advertise or market an area or
18 activity, publish and distribute pamphlets and other materials, conduct
19 market research, or engage in similar promotional activities that attract
20 tourists or business travelers to the area; the term includes
21 administrative expenses incurred in engaging in the listed activities.
- 22 (3) Tourism-related expenditures. – Expenditures that, in the judgment of
23 the Tourism Development Authority, are designed to increase the use
24 of lodging facilities, meeting facilities, or convention facilities in the
25 city or to attract tourists or business travelers to the city. The term
26 includes tourism-related capital expenditures.

27 Sec. 6. Appointment, Duties of Tourism Development Authority. = (a) When the
28 board of county commissioners adopts a resolution levying a room occupancy tax
29 pursuant to this act, it shall also adopt a resolution creating a county Tourism
30 Development Authority, which shall be a public authority under the Local Government
31 Budget and Fiscal Control Act and shall be composed of the following ~~five~~ seven
32 members:

- 33 (1) A county commissioner appointed by the board of county
34 commissioners;
- 35 (2) One owner or operator of hotels, motels, or other taxable tourist
36 accommodations, who shall be appointed by the board of county
37 commissioners;
- 38 (3) The Executive Director of the Richmond County Area Chamber of
39 Commerce; and
- 40 (4) Two individuals interested in the tourist business who have
41 demonstrated an interest in tourist development, but do not own or
42 operate a hotel, motel, or other taxable tourist accommodation, who
43 shall be appointed by the board of county commissioners.

(5) Two individuals appointed by the Rockingham City Council. At least one of these individuals must be an owner or operator of a hotel, motel, or other taxable tourist accommodation in the City of Rockingham.

All members of the Authority shall serve without compensation.

Vacancies in the Authority shall be filled in the same manner as the initial appointments. Members appointed to fill vacancies shall serve for the remainder of the unexpired term which they are appointed to fill. Members shall serve terms as provided in the rules of procedures and bylaws of the Authority.

The members shall elect a chairman. The Authority shall meet at the call of the chairman and shall adopt rules of procedure and bylaws to govern its meetings and activities. The finance officer for Richmond County shall be the ex officio finance officer of the Authority.

(b) The Tourism Development Authority may contract with any person, firm, or agency to advise and assist it in the promotion of travel, tourism, and conventions.

(c) The Tourism Development Authority shall report quarterly and at the close of the fiscal year to the board of county commissioners on its receipts and expenditures for the preceding quarter and for the year in such detail as the board may require.

~~Sec. 7. Repeal of Levy. (a) The board of county commissioners may by resolution repeal the levy of the room occupancy tax in Richmond County, but no repeal of taxes levied under this Part shall be effective until the end of the fiscal year in which the repeal resolution was adopted.~~

~~(b) No liability for any tax levied under this Part that attached prior to the date on which a levy is repealed shall be discharged as a result of the repeal, and no right to a refund of a tax that accrued prior to the effective date on which a levy is repealed shall be denied as a result of the repeal.~~

Sec. 8. This act is effective upon ratification."

PART XIII. TOWN OF CARRBORO.

SECTION 13.1. Occupancy tax. – (a) Authorization and Scope. – The Carrboro Board of Aldermen may 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 town 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 when furnished in furtherance of their nonprofit purpose.

SECTION 13.1.(b) Administration. – A tax levied under this section shall be levied, administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in G.S. 160A-215 apply to a tax levied under this section.

SECTION 13.1.(c) Distribution and Use of Tax Revenue. – The Town of Carrboro shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Carrboro Tourism Development Authority. The Authority shall use at least two-thirds

1 of the funds remitted to it under this subsection to promote travel and tourism in
2 Carrboro and shall use the remainder for tourism-related expenditures.

3 The following definitions apply in this subsection:

- 4 (1) Net proceeds. – Gross proceeds less the cost to the town of
5 administering and collecting the tax, as determined by the finance
6 officer, not to exceed three percent (3%) of the first five hundred
7 thousand dollars (\$500,000) of gross proceeds collected each year and
8 one percent (1%) of the remaining gross receipts collected each year.
- 9 (2) Promote travel and tourism. – To advertise or market an area or
10 activity, publish and distribute pamphlets and other materials, conduct
11 market research, or engage in similar promotional activities that attract
12 tourists or business travelers to the area; the term includes
13 administrative expenses incurred in engaging in these activities.
- 14 (3) Tourism-related expenditures. – Expenditures that, in the judgment of
15 the Tourism Development Authority, are designed to increase the use
16 of lodging facilities, meeting facilities, and convention facilities in a
17 town by attracting tourists or business travelers to the town. The term
18 includes tourism-related capital expenditures.

19 **SECTION 13.2.** Carrboro Tourism Development Authority. – (a)
20 Appointment and Membership. – When the Board of Aldermen adopts a resolution
21 levying a room occupancy tax under this Part, it shall also adopt a resolution creating a
22 city Tourism Development Authority, which shall be a public authority under the Local
23 Government Budget and Fiscal Control Act. The resolution shall provide for the
24 membership of the Authority including the members' terms of office, and for the filling
25 of vacancies on the Authority. At least one-third of the members must be individuals
26 who are affiliated with businesses that collect the tax in the town and at least
27 three-fourths of the members must be individuals who are currently active in the
28 promotion of travel and tourism in the town. The Board of Aldermen shall designate
29 one member of the Authority as chair and shall determine the compensation, if any, to
30 be paid to members of the Authority.

31 The Authority shall meet at the call of the chair and shall adopt rules of
32 procedure to govern its meetings. The Finance Officer for the Town of Carrboro shall
33 be the ex officio finance officer of the Authority.

34 **SECTION 13.2.(b)** Duties. – The Authority shall expend the net proceeds
35 of the tax levied under this Part for the purposes provided in this Part. The Authority
36 shall promote travel, tourism, and conventions in the town, sponsor tourist-related
37 events and activities in the city, and finance tourist-related capital projects in the town.

38 **SECTION 13.2.(c)** Reports. – The Authority shall report quarterly and at
39 the close of the fiscal year to the Board of Aldermen on its receipts and expenditures for
40 the preceding quarter and for the year in such detail as the board may require.

41 **PART XIV. BEECH MOUNTAIN ADMINISTRATIVE PROVISIONS.**

42 **SECTION 14.1.** Chapter 376 of the 1987 Session Laws reads as rewritten:

1 "AN ACT TO AUTHORIZE THE TOWN OF BEECH MOUNTAIN TO LEVY A
2 ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX.

3 Section 1. Occupancy Tax. The Town Council of Beech Mountain may by
4 resolution, after not less than 10 days' public notice and after a public hearing held
5 pursuant thereto, levy a room occupancy and tourism development tax. Collection of the
6 tax, and liability therefor shall begin and continue only on and after the first day of a
7 calendar month set by the Town Council of Beech Mountain in the resolution levying
8 the tax, which in no case may be earlier than the first day of the second succeeding
9 calendar month after the date of adoption of the resolution.

10 The occupancy and tourism development tax that may be levied under this act shall
11 be three percent (3%) of the gross receipts derived from the rental of any room, lodging,
12 or similar accommodation in the Town of Beech Mountain that is subject to sales tax
13 imposed by the State under G.S. ~~105-164.4(3)~~. 105-164.4(a)(3). This tax is in addition
14 to any State or local sales tax. The tax shall does not apply to any room, lodging, or
15 accommodations supplied to the same person for a period of 90 continuous days or
16 more. The tax shall also not apply to sleeping rooms or lodgings furnished by charitable,
17 educational, or religious institutions or ~~non-profit~~ nonprofit organizations.

18 Sec. 2. Administration of Tax. (a) A tax levied under this section shall be levied,
19 administered, collected, and repealed as provided in G.S. 160A-215. The penalties
20 provided in G.S. 160A-215 apply to a tax levied under this section. ~~The Town of Beech~~
21 ~~Mountain shall administer a tax levied under this act. A tax levied under this act is due~~
22 ~~and payable to the Town in monthly installments on or before the 15th day of the month~~
23 ~~following the month in which the tax accrues. Every person, firm, corporation, and~~
24 ~~association liable for the tax shall, on or before the 15th day of each month, prepare and~~
25 ~~render a return on a form prescribed by the Town. The return shall state the total gross~~
26 ~~receipts derived in the preceding month from rentals upon which the tax is levied. A~~
27 ~~return filed with the Town under this act is not a public record as defined by G.S. 132-1~~
28 ~~and may not be disclosed except as required by law.~~

29 (b) ~~Any person, firm, corporation, or association who fails or refuses to file the~~
30 ~~return required by this act shall pay a penalty of ten dollars (\$10.00) for each day's~~
31 ~~omission.~~

32 ~~In case of failure or refusal to file the return or pay the tax for a period of 30 days or~~
33 ~~more after the time required for filing the return or for paying the tax, there shall be an~~
34 ~~additional tax, as a penalty, of five percent (5%) of the total tax due, for each additional~~
35 ~~month or fraction thereof until the occupancy tax is paid.~~

36 ~~Any person who willfully attempts in any manner to evade the occupancy tax levied~~
37 ~~under this act or to make a return and who willfully fails to pay the tax or make and file~~
38 ~~a return shall, in addition to all other penalties provided by law, be guilty of a~~
39 ~~misdemeanor and shall be punished by a fine not to exceed one thousand dollars~~
40 ~~(\$1,000) or by imprisonment not to exceed six months, or both. The Town Council may,~~
41 ~~for good cause shown, compromise or forgive the penalties imposed by this subsection.~~

42 (c) All persons, firms, corporations, and associations who rent either their own
43 dwelling or dwellings or rooms for other persons are required to submit to the Town

1 town a list of all rental properties. This list shall include the owner's name, current
2 address, and location of rental property. The list shall be submitted semi-annually on or
3 before November 30 and May 30.

4 Failure to file said this listing shall subject the person, firm, corporation or
5 association to a civil penalty.

6 ~~Sec. 3. Collection of Tax. (a) Every operator of a business and every individual~~
7 ~~renting his or her own property subject to the tax levied pursuant to this act shall, on and~~
8 ~~after the effective date of the levy of the tax, collect the three percent (3%) room~~
9 ~~occupancy tax.~~

10 ~~This tax shall be collected as part of the charge for the furnishing of any taxable~~
11 ~~accommodations. The tax shall be stated and charged separately from the sales records,~~
12 ~~and shall be paid by the purchaser to the operator of the business as trustee for and on~~
13 ~~account of the Town of Beech Mountain. It is the intent of this act that the room~~
14 ~~occupancy tax levied by the Town of Beech Mountain shall be added to the sales price~~
15 ~~and that the tax shall be passed on to the purchaser instead of being borne by the~~
16 ~~operator of the business. The Town shall design, print, and furnish to all appropriate~~
17 ~~businesses in the Town, the necessary forms for filing returns and instructions to ensure~~
18 ~~the full collection of the tax.~~

19 ~~(b) Collection of the tax shall be the responsibility of the Beech Mountain Tax~~
20 ~~Administrator. In his/her discretion, the Tax Administrator may proceed against an~~
21 ~~operator whose occupancy tax is delinquent, employing all remedies for collection of~~
22 ~~tax as set out in G.S. 105-367, 105-368, 105-374, and 105-375. The Tax Administrator~~
23 ~~may audit occupancy tax reports as he/she deems necessary, utilizing information~~
24 ~~available to him/her in property tax matters.~~

25 ~~Sec. 4. Discount for Payment of Taxes When Due. Every operator who pays the~~
26 ~~occupancy tax imposed by this Article shall be entitled to deduct from the amount of the~~
27 ~~tax for which he is liable and which he actually pays a discount of three percent (3%).~~
28 ~~Provided, however, the Tax Administrator may deny a taxpayer the benefits of this~~
29 ~~section for failure to pay the full tax when due as well as in cases of fraud, evasion, or~~
30 ~~failure to keep accurate and clear records as herein required. Provided, further, that in~~
31 ~~order to receive the discount the taxpayer must deduct the three percent (3%) at the time~~
32 ~~of making his monthly remittance of tax to the Town.~~

33 ~~Sec. 5. Disposition of Taxes Collected. Distribution and Use of Tax Revenue. The~~
34 ~~Town of Beech Mountain shall retain from the gross proceeds of the tax collected an~~
35 ~~amount sufficient to pay its direct costs for administrative and collection expenses. "Net~~
36 ~~proceeds" shall mean gross proceeds less the direct costs for administrative and~~
37 ~~collection expenses not to exceed three percent (3%) of the amount collected. The net~~
38 ~~proceeds shall be distributed to the Town Council. The Town Council may expend the~~
39 ~~funds distributed to it pursuant to this section only to further the development of travel,~~
40 ~~tourism, conventions, and convention facilities in the Town. shall, on a quarterly basis,~~
41 ~~remit the net proceeds of the occupancy tax to the Beech Mountain Tourism~~
42 ~~Development Authority. The Authority shall use at least two-thirds of the funds~~

1 remitted to it under this subsection to promote travel and tourism in Beech Mountain
2 and shall use the remainder for tourism-related expenditures.

3 The following definitions apply in this subsection:

- 4 (1) Net proceeds. – Gross proceeds less the cost to the city of
5 administering and collecting the tax, as determined by the finance
6 officer, not to exceed three percent (3%) of the first five hundred
7 thousand dollars (\$500,000) of gross proceeds collected each year and
8 one percent (1%) of the remaining gross receipts collected each year.
- 9 (2) Promote travel and tourism. – To advertise or market an area or
10 activity, publish and distribute pamphlets and other materials, conduct
11 market research, or engage in similar promotional activities that attract
12 tourists or business travelers to the area; the term includes
13 administrative expenses incurred in engaging in the listed activities.
- 14 (3) Tourism-related expenditures. – Expenditures that, in the judgment of
15 the Tourism Development Authority, are designed to increase the use
16 of lodging facilities, meeting facilities, or convention facilities in a city
17 or to attract tourists or business travelers to the city. The term includes
18 tourism-related capital expenditures.

19 Sec. 5.1. Beech Mountain Tourism Development Authority. (a) Appointment and
20 Membership. – When the Beech Mountain City Council adopts a resolution levying a
21 room occupancy tax under this act, it shall also adopt a resolution creating a city
22 Tourism Development Authority, which shall be a public authority under the Local
23 Government Budget and Fiscal Control Act. The resolution shall provide for the
24 membership of the Authority, including the members' terms of office, and for the filling
25 of vacancies on the Authority. At least one-third of the members must be individuals
26 who are affiliated with businesses that collect the tax in the city and at least
27 three-fourths of the members must be individuals who are currently active in the
28 promotion of travel and tourism in the city. The city council shall designate one member
29 of the Authority as chair and shall determine the compensation, if any, to be paid to
30 members of the Authority.

31 The Authority shall meet at the call of the chair and shall adopt rules of procedure to
32 govern its meetings. The Finance Officer for Beech Mountain shall be the ex officio
33 finance officer of the Authority.

34 Sec 5.2. Duties. The Authority shall expend the net proceeds of the tax levied under
35 this act for the purposes provided in Section 3 of this act. The Authority shall promote
36 travel, tourism, and conventions in the city, sponsor tourist-related events and activities
37 in the city, and finance tourist-related capital projects in the city.

38 Sec 5.3. Reports. The Authority shall report quarterly and at the close of the fiscal
39 year to the Beech Mountain City Council on its receipts and expenditures for the
40 preceding quarter and for the year in such detail as the City Council may require.

41 ~~Sec. 6. Repeal of Levy. The Beech Mountain Town Council may by resolution~~
42 ~~repeal the levy of the room occupancy tax in Beech Mountain, but no repeal of taxes~~
43 ~~levied under this part shall be effective until the end of the fiscal year in which the~~

1 ~~repeal resolution was adopted. No liability for any tax levied under this part that~~
2 ~~attached prior to the date on which a levy is repealed shall be discharged as a result of~~
3 ~~the repeal, and no right to a refund of a tax that accrued prior to the effective date on~~
4 ~~which a levy is repealed shall be denied as a result of the repeal.~~

5 Sec. 7. This act is effective upon ratification."

6 **PART XV. AVERY COUNTY.**

7 **SECTION 15.1.** Chapter 472 of the 1993 Session Laws, as amended by
8 Sections 4 and 5 of S.L. 1997-410, is repealed.

9 **SECTION 15.2.** Authorization and Scope. – (a) This section applies only to
10 cities in Avery County that are not otherwise authorized to levy a room occupancy tax.
11 The governing body of a city may levy a room occupancy tax of up to three percent
12 (3%) of the gross receipts derived from the rental of any room, lodging, or
13 accommodation furnished by a hotel, motel, inn, tourist camp, or similar place within
14 the city that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3).
15 This 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 when furnished in furtherance of their nonprofit purpose.

18 **SECTION 15.2.(b)** Administration. – A tax levied under this section must
19 be levied, administered, collected, and repealed as provided in G.S. 160A-215. The
20 penalties provided in G.S. 160A-215 apply to a tax levied under this section.

21 **SECTION 15.2.(c)** Distribution and Use of Tax Revenue. – The taxing city
22 shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the taxing
23 city's Tourism Development Authority. The Authority shall use at least two-thirds of
24 the funds remitted to it under this subsection to promote travel and tourism in the taxing
25 city and shall use the remainder for tourism-related expenditures.

26 **SECTION 15.2.(d)** Definitions. – The following definitions apply in this
27 section:

- 28 (1) City. – Defined in G.S. 153A-1.
- 29 (2) Net proceeds. – Gross proceeds less the cost to the city of
30 administering and collecting the tax, as determined by the finance
31 officer, not to exceed three percent (3%) of the first five hundred
32 thousand dollars (\$500,000) of gross proceeds collected each year and
33 one percent (1%) of the remaining gross receipts collected each year.
- 34 (3) Promote travel and tourism. – To advertise or market an area or
35 activity, publish and distribute pamphlets and other materials, conduct
36 market research, or engage in similar promotional activities that attract
37 tourists or business travelers to the area; the term includes
38 administrative expenses incurred in engaging in the listed activities.
- 39 (4) Tourism-related expenditures. – Expenditures that, in the judgment of
40 the Tourism Development Authority, are designed to increase the use
41 of lodging facilities, meeting facilities, or convention facilities in a city
42 or to attract tourists or business travelers to the city. The term includes
43 tourism-related capital expenditures.

1 **SECTION 15.3.** Tourism Development Authority. – (a) Appointment and
2 Membership. – When the city council of a taxing city adopts a resolution levying a
3 room occupancy tax under this act, it shall also adopt a resolution creating a Tourism
4 Development Authority, which shall be a public authority under the Local Government
5 Budget and Fiscal Control Act. The resolution shall provide for the membership of the
6 Authority, including the members' terms of office, and for the filling of vacancies on the
7 Authority. At least one-third of the members must be individuals who are affiliated
8 with businesses that collect the tax in the city and at least three-fourths of the members
9 must be individuals who are currently active in the promotion of travel and tourism in
10 the city. The city council shall designate one member of the Authority as chair and
11 shall determine the compensation, if any, to be paid to the members of the Authority.

12 The Authority shall meet at the call of the chair and shall adopt rules of
13 procedure to govern its meetings. The Finance Officer for the taxing city shall be the ex
14 officio finance officer of the Authority.

15 **SECTION 15.3.(b)** Duties. – The Authority shall expend the net proceeds of
16 the tax levied under this act for the purposes provided in Section 4 of this act. The
17 Authority shall promote travel, tourism, and conventions in the city, sponsor
18 tourist-related events and activities in the city, and finance tourist-related capital
19 projects in the city.

20 **SECTION 15.3.(c)** Reports. – The Authority shall report quarterly and at the
21 close of the fiscal year to the taxing city's city council on its receipts and expenditures
22 for the preceding quarter and for the year in such detail as the city council may require."

23 **PART XVI. CABARRUS COUNTY.**

24 **SECTION 16.1.** Section 1 of Chapter 658 of the 1989 Session Laws reads as
25 rewritten:

26 "Section 1. **Occupancy Tax Levy.** (a) Authorization and Scope. – The Cabarrus
27 County Board of Commissioners may ~~by resolution, after not less than 10 days' public~~
28 ~~notice and after a public hearing held pursuant thereto,~~ levy a room occupancy tax of
29 not less than three percent (3%) nor more than ~~five percent (5%)~~ six percent (6%) of the
30 gross receipts derived from the rental of any room, lodging, or similar accommodation
31 furnished by a hotel, motel, inn, or similar place within the county that is subject to
32 sales tax imposed by the State under ~~G.S. 105-164.4(3).~~ G.S. 105-164.4(a)(3). This tax
33 is in addition to any State or local sales tax. This tax does not apply to accommodations
34 furnished by nonprofit charitable, educational, or religious organizations.

35 (b) Administration. – A tax levied under this act shall be levied, administered,
36 collected, and repealed as provided in G.S. 153A-155. The penalties provided in G.S.
37 153A-155 apply to a tax levied under this act.~~Collection. On and after the effective date~~
38 ~~of the levy of the tax, every operator of a business subject to the tax levied under this act~~
39 ~~shall collect the tax. This tax shall be collected as part of the charge for furnishing a~~
40 ~~taxable accommodation. The tax shall be stated and charged separately on the sales~~
41 ~~records, and shall be paid by the purchaser to the operator of the business as trustee for~~
42 ~~and on account of the county. The tax shall be added to the sales price and shall be~~
43 ~~passed on to the purchaser instead of being borne by the operator of the business. The~~

1 county shall design, print, and furnish to all appropriate businesses and persons in the
2 county the necessary forms for filing returns and instructions to ensure the full
3 collection of the tax.

4 (e) Administration. ~~The county shall administer a tax levied under this act. A~~
5 ~~tax levied under this act is due and payable to the Cabarrus County Finance Officer in~~
6 ~~monthly installments on or before the 15th day of the month following the month in~~
7 ~~which the tax accrues. Every person, firm, corporation, or association liable for the tax~~
8 ~~shall, on or before the 15th day of each month, prepare and render a return on a form~~
9 ~~prescribed by the county. The return shall state the total gross receipts derived in the~~
10 ~~county in the preceding month from rentals upon which the tax is levied.~~

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

13 (d) Penalties. ~~A person, firm, corporation, or association who fails or refuses to~~
14 ~~file the return required by this act shall pay a penalty of fifty dollars (\$50.00) for each~~
15 ~~day's omission. In case of failure or refusal to file the return or pay the tax for a period~~
16 ~~of 30 days after the time required for filing the return or for paying the tax, there shall~~
17 ~~be an additional tax, as a penalty, of five percent (5%) of the tax due for each additional~~
18 ~~month or fraction thereof until the tax is paid.~~

19 Any person who willfully attempts in any manner to evade a tax imposed under this
20 act or who willfully fails to pay the tax or make and file a return shall, in addition to all
21 other penalties provided by law, be guilty of a misdemeanor and shall be punishable by
22 a fine not to exceed one thousand dollars (\$1,000), imprisonment not to exceed six
23 months, or both. The board of commissioners may, for good cause shown, compromise
24 or forgive the penalties imposed by this subsection.

25 (e) Use and Disposition of Revenue. = Cabarrus County shall remit one hundred
26 percent (100%) of the net proceeds of the occupancy tax to the Cabarrus County
27 Tourism Authority established under Section 2 of this act. As used in this act, "net
28 proceeds" means gross proceeds less the direct cost to the county of administering and
29 collecting the tax, not to exceed five percent (5%) of the amount collected.

30 The Authority may expend occupancy tax revenue remitted to it by the county
31 during a fiscal year, and any other revenue it receives, only to develop or promote
32 tourism, tourist-related support services and facilities, tourist-related events, tourist-
33 related activities, or tourist attractions. The Cabarrus County Finance Officer shall
34 distribute the amounts due the Authority at least monthly.

35 (f) Effective Date of Levy. ~~A tax levied under this act shall become effective on~~
36 ~~the date specified in the resolution levying the tax. That date must be the first day of a~~
37 ~~calendar month, however, and may not be earlier than the first day of the second month~~
38 ~~after the date the resolution is adopted.~~

39 (g) Repeal. ~~A tax levied under this act may be repealed by a resolution adopted~~
40 ~~by the Cabarrus County Board of Commissioners. Repeal of a tax levied under this act~~
41 ~~shall become effective on the first day of a month and may not become effective until~~
42 ~~the end of the fiscal year in which the repeal resolution was adopted. Repeal of a tax~~
43 ~~levied under this act does not affect a liability for a tax that attached before the effective~~

1 ~~date of the repeal, nor does it affect a right to a refund of a tax that accrued before the~~
2 ~~effective date of the repeal."~~

3 **PART XVII. UNIFORM PROVISIONS.**

4 **SECTION 17.1.** City administrative provisions. – G.S. 160A-215 reads as
5 rewritten:

6 **"§ 160A-215. Uniform provisions for room occupancy taxes.**

7 (a) Scope. – This section applies only to municipalities the General Assembly
8 has authorized to levy room occupancy taxes. For the purpose of this section, the term
9 "city" means a municipality.

10 (b) Levy. – A room occupancy tax may be levied only by resolution, after not
11 less than 10 days' public notice and after a public hearing held pursuant thereto. A room
12 occupancy tax shall become effective on the date specified in the resolution levying the
13 tax. That date must be the first day of a calendar month, however, and may not be
14 earlier than the first day of the second month after the date the resolution is adopted.

15 (c) Collection. – Every operator of a business subject to a room occupancy tax
16 shall, on and after the effective date of the levy of the tax, collect the tax. The tax shall
17 be collected as part of the charge for furnishing a taxable accommodation. The tax shall
18 be stated and charged separately from the sales records and shall be paid by the
19 purchaser to the operator of the business as trustee for and on account of the taxing city.
20 The tax shall be added to the sales price and shall be passed on to the purchaser instead
21 of being borne by the operator of the business. The taxing city shall design, print, and
22 furnish to all appropriate businesses and persons in the city the necessary forms for
23 filing returns and instructions to ensure the full collection of the tax. An operator of a
24 business who collects a room occupancy tax may deduct from the amount remitted to
25 the taxing city a discount equal to the discount the State allows the operator for State
26 sales and use tax.

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

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

42 (f) Repeal or Reduction. – A room occupancy tax levied by a city may be
43 repealed or reduced by a resolution adopted by the governing body of the city. Repeal or

1 reduction of a room occupancy tax shall become effective on the first day of a month
2 and may not become effective until the end of the fiscal year in which the resolution
3 was adopted. Repeal or reduction of a room occupancy tax does not affect a liability for
4 a tax that was attached before the effective date of the repeal or reduction, nor does it
5 affect a right to a refund of a tax that accrued before the effective date of the repeal or
6 reduction.

7 (g) This section applies only to the Cities of Gastonia, Goldsboro, Greensboro,
8 Kings Mountain, Lincolnton, Lumberton, Monroe, Mount Airy, Shelby, and Statesville,
9 to the Towns of ~~Banner Elk~~, Carrboro, Mooreville, North Topsail Beach, St. Pauls, and
10 Wilkesboro, and to the municipalities in Avery and Brunswick County."

11 **SECTION 17.2.** County administrative provisions. – G.S. 153A-155 reads
12 as rewritten:

13 "**§ 153A-155. Uniform provisions for room occupancy taxes.**

14 (a) Scope. – This section applies only to counties the General Assembly has
15 authorized to levy room occupancy taxes.

16 (b) Levy. – A room occupancy tax may be levied only by resolution, after not
17 less than 10 days' public notice and after a public hearing held pursuant thereto. A room
18 occupancy tax shall become effective on the date specified in the resolution levying the
19 tax. That date must be the first day of a calendar month, however, and may not be
20 earlier than the first day of the second month after the date the resolution is adopted.

21 (c) Collection. – Every operator of a business subject to a room occupancy tax
22 shall, on and after the effective date of the levy of the tax, collect the tax. The tax shall
23 be collected as part of the charge for furnishing a taxable accommodation. The tax shall
24 be stated and charged separately from the sales records and shall be paid by the
25 purchaser to the operator of the business as trustee for and on account of the taxing
26 county. The tax shall be added to the sales price and shall be passed on to the purchaser
27 instead of being borne by the operator of the business. The taxing county shall design,
28 print, and furnish to all appropriate businesses and persons in the county the necessary
29 forms for filing returns and instructions to ensure the full collection of the tax. An
30 operator of a business who collects a room occupancy tax may deduct from the amount
31 remitted to the taxing county a discount equal to the discount the State allows the
32 operator for State sales and use tax.

33 (d) Administration. – The taxing county shall administer a room occupancy tax it
34 levies. A room occupancy tax is due and payable to the county finance officer in
35 monthly installments on or before the 15th day of the month following the month in
36 which the tax accrues. Every person, firm, corporation, or association liable for the tax
37 shall, on or before the 15th day of each month, prepare and render a return on a form
38 prescribed by the taxing county. The return shall state the total gross receipts derived in
39 the preceding month from rentals upon which the tax is levied. A room occupancy tax
40 return filed with the county finance officer is not a public record and may not be
41 disclosed except in accordance with G.S. 153A-148.1 or G.S. 160A-208.1.

42 (e) Penalties. – A person, firm, corporation, or association who fails or refuses to
43 file a room occupancy tax return or pay a room occupancy tax as required by law is

1 subject to the civil and criminal penalties set by G.S. 105-236 for failure to pay or file a
2 return for State sales and use taxes. The governing board of the taxing county has the
3 same authority to waive the penalties for a room occupancy tax that the Secretary of
4 Revenue has to waive the penalties for State sales and use taxes.

5 (f) Repeal or Reduction. – A room occupancy tax levied by a county may be
6 repealed or reduced by a resolution adopted by the governing body of the county.
7 Repeal or reduction of a room occupancy tax shall become effective on the first day of a
8 month and may not become effective until the end of the fiscal year in which the
9 resolution was adopted. Repeal or reduction of a room occupancy tax does not affect a
10 liability for a tax that was attached before the effective date of the repeal or reduction,
11 nor does it affect a right to a refund of a tax that accrued before the effective date of the
12 repeal or reduction.

13 (g) This section applies only to Avery, Brunswick, Cabarrus, Craven, Currituck,
14 Dare, Davie, Granville, Madison, Nash, Pender, Person, Randolph, Richmond, Rowan,
15 Scotland, and Transylvania ~~Counties~~. Counties, and to the Township of Averagesboro in
16 Harnett County."

17 **PART XVIII. EFFECTIVE DATE.**

18 **SECTION 18.1.** Part XIV of this act becomes effective the first day of the
19 fourth month after this act becomes law. The remainder of this act is effective when it
20 becomes law.