

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2021**

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HOUSE BILL 1075

Short Title: Bryson City/Swain County Occupancy Tax. (Local)

Sponsors: Representative Clampitt.

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Local Government, if favorable, Finance, if favorable, Rules, Calendar, and Operations of the House

May 27, 2022

A BILL TO BE ENTITLED

AN ACT TO ALLOW THE TOWN OF BRYSON CITY TO LEVY AN OCCUPANCY TAX
AND TO MERGE THE SWAIN COUNTY AND BRYSON CITY TDAS INTO ONE.

The General Assembly of North Carolina enacts:

SECTION 1. Occupancy tax. – (a) Authorization and Scope. – The Bryson City Board of Aldermen may levy a room occupancy tax of up to two percent (2%) of the gross receipts derived from the rental of an accommodation 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.

SECTION 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 – A tax levied under this section shall be levied, administered, collected, and repealed as provided in G.S. 160A-215.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.(c) Distribution and Use of Tax Revenue. – The Town of Bryson City shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Bryson City/Swain County 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 the Town of Bryson City and shall use the remainder for tourism-related expenditures.

The following definitions apply in this section:

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



1 **SECTION 1.(d)** Tourism Development Authority. – Appointment and Membership.
2 – When the board of aldermen adopts a resolution levying a room occupancy tax under this
3 section, it shall also adopt a resolution appointing members for the Bryson City/Swain County
4 Tourism Development Authority and notifying the Swain County Tourism Development
5 Authority of the levy and appointments.

6 **SECTION 1.(e)** Duties. – The Authority shall expend the net proceeds of the tax
7 levied under this section for the purposes provided in subsection (c) of this section. The Authority
8 shall promote travel, tourism, and conventions in the town, sponsor tourist-related events and
9 activities in the town, and finance tourist-related capital projects in the town.

10 **SECTION 1.(f)** Reports. – The Authority shall report quarterly and at the close of
11 the fiscal year to the Bryson City Board of Aldermen on its receipts and expenditures for the
12 preceding quarter and for the year in such detail as the Bryson City Board of Aldermen may
13 require.

14 **SECTION 2.** G.S. 160A-215(g) reads as rewritten:

15 "(g) Applicability. – Subsection (c) of this section applies to all cities that levy an
16 occupancy tax. To the extent subsection (c) conflicts with any provision of a local act, subsection
17 (c) supersedes that provision. The remainder of this section applies only to Beech Mountain
18 District W, to the Cities of Belmont, Conover, Eden, Elizabeth City, Gastonia, Goldsboro,
19 Greensboro, Hickory, High Point, Jacksonville, Kings Mountain, Lake Santeetlah, Lenoir,
20 Lexington, Lincolnton, Lowell, Lumberton, Monroe, Mount Airy, Mount Holly, Reidsville,
21 Roanoke Rapids, Salisbury, Sanford, Shelby, Statesville, Washington, and Wilmington, to the
22 Towns of Ahoskie, Beech Mountain, Benson, Bermuda Run, Blowing Rock, Boiling Springs,
23 Boone, Bryson City, Burgaw, Carolina Beach, Carrboro, Cooleemee, Cramerton, Dallas,
24 Dobson, Elkin, Fontana Dam, Franklin, Grover, Hillsborough, Jonesville, Kenly, Kure Beach,
25 Leland, McAdenville, Mocksville, Mooresville, Murfreesboro, North Topsail Beach, Pembroke,
26 Pilot Mountain, Ranlo, Robbinsville, Selma, Smithfield, St. Pauls, Swansboro, Troutman, Tryon,
27 West Jefferson, Wilkesboro, Wrightsville Beach, Yadkinville, Yanceyville, to the municipalities
28 in Avery and Brunswick Counties, and to Saluda District D."

29 **SECTION 3.** Section 1(e) of Chapter 923 of the 1985 Session Laws, as amended by
30 Section 1 of S.L. 2007-23, reads as rewritten:

31 "(e) Distribution and Use of Tax Revenue. – Swain County shall, on a quarterly basis,
32 remit the net proceeds of the occupancy tax to the ~~Swain~~Bryson City/Swain County Tourism
33 Development Authority. The Authority shall use at least two-thirds of the funds remitted to it
34 under this subsection to promote travel and tourism in Swain County and shall use the remainder
35 for tourism-related expenditures.

36 The following definitions apply in this subsection:

- 37 (1) Net proceeds. – Gross proceeds less the cost to the county of administering
38 and collecting the tax, as determined by the finance officer, not to exceed three
39 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross
40 proceeds collected each year and one percent (1%) of the remaining gross
41 proceeds collected each year.
- 42 (2) Promote travel and tourism. – To advertise or market an area or activity,
43 publish and distribute pamphlets and other materials, conduct market research,
44 or engage in similar promotional activities that attract tourists or business
45 travelers to the area; the term includes administrative expenses incurred in
46 engaging in the listed activities.
- 47 (3) Tourism-related expenditures. – Expenditures that, in the judgment of ~~Swain~~
48 the Bryson City/Swain County Tourism Development Authority, are designed
49 to increase the use of lodging facilities, meeting facilities, or convention
50 facilities in the county or to attract tourists or business travelers to the county.
51 The term includes tourism-related capital expenditures."

1 **SECTION 4.** Section 2 of Chapter 923 of the 1985 Session Laws, as amended by
2 Section 1 of S.L. 2007-23, reads as rewritten:

3 "**Sec. 2.** Tourism Development Authority. – (a) Appointment and Membership. – When the
4 board of commissioners adopts a resolution levying a room occupancy tax under this act, it shall
5 also adopt a resolution creating ~~a county~~ the Bryson City/Swain County Tourism Development
6 Authority, which shall be a public authority under the Local Government Budget and Fiscal
7 Control Act. The resolution shall provide for the membership of the Authority, including the
8 members' terms of office, and for the filling of vacancies on the Authority. The Bryson
9 City/Swain County Authority shall consist of the following members:

10 (1) Two members appointed by the Swain County Board of Commissioners, one
11 of whom must be an individual affiliated with a business that collects taxes in
12 the county and another who must be an individual currently active in the
13 promotion of travel and tourism in the county.

14 (2) Two members appointed by the Bryson City Board of Aldermen, one of whom
15 must be an individual affiliated with a business that collects taxes in Bryson
16 City and another who must be an individual currently active in the promotion
17 of travel and tourism in Bryson City.

18 (3) The director of the Swain County Chamber of Commerce shall be a member
19 of the Authority.

20 ~~At least one third of the members shall be individuals who are affiliated with businesses that~~
21 ~~collect the tax in the county, and at least one half of the members shall be individuals who are~~
22 ~~currently active in the promotion of travel and tourism in the county. The chair of the Authority~~
23 ~~shall be elected by the members of the Authority. The board of commissioners shall designate~~
24 ~~one member of the Authority as chair and shall determine the compensation, if any, to be paid to~~
25 ~~members of the Authority.~~

26 The Authority shall meet at the call of the chair and shall adopt rules of procedure to govern
27 its meetings. The finance officer of Swain County shall be the ex officio finance officer of the
28 Authority.

29 (b) Duties. – The Authority shall expend the net proceeds of the tax levied under this act
30 for the purposes provided in Section 1 of this act. The Authority shall promote travel, tourism,
31 and conventions in Swain County, sponsor tourist-related events and activities in the county, and
32 finance tourist-related capital projects in the county.

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

36 **SECTION 5.** Sections 3 and 4 of this act become effective upon the notification by
37 the Bryson City Board of Aldermen to the Swain County Tourism Development Authority of the
38 levy of the tax authorized in Section 1 of this act and expire upon repeal of the tax authorized in
39 Section 1 of this act. The remainder of this act is effective when it becomes law.