

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023**

H

1

HOUSE BILL 220

Short Title: Lansing and Jefferson Occ. Tax Authorization. (Local)

Sponsors: Representative Pickett.

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

March 1, 2023

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE TOWNS OF LANSING AND JEFFERSON TO LEVY AN OCCUPANCY TAX.

The General Assembly of North Carolina enacts:

PART I. TOWN OF LANSING OCCUPANCY TAX

SECTION 1. Occupancy tax. – (a) Authorization and Scope. – The Town of Lansing Board of Aldermen may levy a room occupancy tax of up to three percent (3%) 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 – A tax levied under this Part shall be levied, administered, collected, and repealed as provided in G.S. 160A-215.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 Part.

SECTION 1.(c) Distribution and Use of Tax Revenue. – The Town of Lansing shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Lansing Tourism Development Authority. The Authority shall use at least two-thirds of the funds to promote travel and tourism and shall use the remainder for tourism-related expenditures in the town.

The following definitions apply in this subsection:

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

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

15 **SECTION 2.(b)** Duties. – The Authority shall expend the net proceeds of the tax
16 levied under this Part for promoting travel and tourism and for tourism-related expenditures as
17 provided in this Part.

18 **SECTION 2.(c)** Reports. – The Authority shall report quarterly and at the close of
19 the fiscal year to the Town of Lansing Board of Aldermen on its receipts and expenditures for
20 the preceding quarter and for the year in such detail as the Board of Aldermen may require.

21 **SECTION 3.** G.S. 160A-215(g) reads as rewritten:

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

36 **SECTION 4.** Part I of this act is effective when it becomes law.
37

38 **PART II. TOWN OF JEFFERSON OCCUPANCY TAX**

39 **SECTION 5.** Occupancy tax. – (a) Authorization and Scope. – The Town of
40 Jefferson may levy a room occupancy tax of up to three percent (3%) of the gross receipts derived
41 from the rental of an accommodation within the town that is subject to sales tax imposed by the
42 State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax.

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

46 **SECTION 5.(c)** Distribution and Use of Tax Revenue. – The Town of Jefferson
47 shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Jefferson Tourism
48 Development Authority. The Authority shall use at least two-thirds of the funds to promote travel
49 and tourism and shall use the remainder for tourism-related expenditures in the town.

50 The following definitions apply in this subsection:

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

16 **SECTION 6.** Tourism Development Authority. – (a) Appointment and Membership.
17 – When the Town of Jefferson Board of Aldermen adopts a resolution levying a room occupancy
18 tax under this Part, it shall also adopt a resolution creating a town Tourism Development
19 Authority, which shall be a public authority under the Local Government Budget and Fiscal
20 Control Act. The resolution shall provide for the membership of the Authority, including the
21 members' terms of office, and for the filling of vacancies on the Authority. At least one-third of
22 the members shall be individuals who are affiliated with businesses that collect tax in the town,
23 and at least one-half of the members shall be individuals who are currently active in the
24 promotion of travel and tourism in the town. The Town of Jefferson Board of Aldermen shall
25 designate one member of the Authority as chair and shall determine the compensation, if any, to
26 be paid to members of the Authority.

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

30 **SECTION 6.(b)** Duties. – The Authority shall expend the net proceeds of the tax
31 levied under this Part for promoting travel and tourism and for tourism-related expenditures as
32 provided in this Part.

33 **SECTION 6.(c)** Reports. – The Authority shall report quarterly and at the close of
34 the fiscal year to the Town of Jefferson Board of Aldermen on its receipts and expenditures for
35 the preceding quarter and for the year in such detail as the Board of Aldermen may require.

36 **SECTION 7.** G.S. 160A-215(g) reads as rewritten:

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

51 **SECTION 8.** Part II of this act is effective when it becomes law.

1
2
3
4

PART III. EFFECTIVE DATE

SECTION 9. Except as otherwise provided, this act is effective when it becomes law.