

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2023

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SENATE BILL 154  
Finance Committee Substitute Adopted 6/20/23  
House Committee Substitute Favorable 8/16/23  
House Committee Substitute #2 Favorable 9/5/23  
Fifth Edition Engrossed 9/20/23

Short Title: Omnibus Occupancy Tax Changes.

(Local)

Sponsors:

Referred to:

February 27, 2023

1 A BILL TO BE ENTITLED  
2 AN ACT TO MAKE VARIOUS OCCUPANCY TAX CHANGES.

3 The General Assembly of North Carolina enacts:

4  
5 **PART I. AVERY COUNTY OCCUPANCY TAX**

6 **SECTION 1.1.(a)** Avery County District A Created. – Avery County District A is  
7 created as a taxing district. Its jurisdiction consists of that part of Avery County that is located  
8 outside of incorporated areas within the county. Avery County District A is a body politic and  
9 corporate and has the power to carry out the provisions of this Part. The Avery County Board of  
10 Commissioners shall serve ex officio as the governing body of the district, and the officers of the  
11 county shall serve as the officers of the governing body of the district. A simple majority of the  
12 governing body constitutes a quorum, and approval by a majority of those present is sufficient to  
13 determine any matter before the governing body, if a quorum is present.

14 **SECTION 1.1.(b)** Authorization and Scope. – The governing body of Avery County  
15 District A may levy a room occupancy tax of up to six percent (6%) of the gross receipts derived  
16 from the rental of an accommodation within the district that is subject to sales tax imposed by  
17 the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales or room  
18 occupancy tax.

19 **SECTION 1.1.(c)** Administration. – A tax levied under this section shall be levied,  
20 administered, collected, and repealed as provided in G.S. 153A-155 as if Avery County District  
21 A were a county. The penalties provided in G.S. 153A-155 apply to a tax levied under this  
22 section.

23 **SECTION 1.1.(d)** Distribution and Use of Tax Revenue. – Avery County District A  
24 shall, on a quarterly basis, distribute the net proceeds of the occupancy tax to the Avery County  
25 District A Tourism Development Authority created pursuant to this Part. The Authority shall use  
26 at least two-thirds of the proceeds distributed to it to promote travel and tourism in the district  
27 and shall use the remainder for tourism-related expenditures in the district. In accordance with  
28 the North Carolina Constitution and the United States Constitution, the tax proceeds may be used  
29 only for the direct benefit of the jurisdiction of Avery County District A.

30 The following definitions apply in this subsection:

- 31 (1) Net proceeds. – Gross proceeds less the cost to the district of administering  
32 and collecting the tax, as determined by the finance officer, not to exceed three  
33 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 a district or to attract tourists or business travelers to the district. The term includes tourism-related capital expenditures.

**SECTION 1.2.(a)** Avery County District A Tourism Development Authority. – Appointment and Membership. – When the governing body of Avery County District A adopts a resolution levying a room occupancy tax under this Part, it shall also adopt a resolution creating the Avery County District A Tourism Development Authority, which shall be a public authority under the Local Government Budget and Fiscal Control Act. The resolution shall provide for the membership of the Authority, including the members' terms of office, and for the filling of vacancies on the Authority. At least one-third of the members must be individuals who are affiliated with businesses that collect the tax in the district, and at least one-half of the members must be individuals who are currently active in the promotion of travel and tourism in the district. The board of commissioners shall designate one member of the Authority as chair and shall determine the compensation, if any, to be paid to members of the Authority.

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

**SECTION 1.2.(b)** Duties. – The Authority shall expend the net proceeds of the tax levied under this Part for promoting travel and tourism in the district and for tourism-related expenditures in the district as provided in this Part.

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

**PART II. TOWN OF INDIAN TRAIL OCCUPANCY TAX**

**SECTION 2.1.** Occupancy tax. – (a) Authorization and Scope. – If the majority of those voting in a referendum held pursuant to subsection (b) of this section vote for the levy of the tax, the Town Council of the Town of Indian Trail may levy a room occupancy tax of up to five percent (5%) 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 2.1.(b)** Referendum. – Notwithstanding G.S. 160A-215(b), a room occupancy tax authorized under subsection (a) of this section may be levied only if all of the following conditions are met:

(1) The Town Council of the Town of Indian Trail directs the county board of elections to conduct an advisory referendum on the question of whether to levy the room occupancy tax.

(2) The election is held in accordance with the procedures of G.S. 163-287, and the form of the question to be presented on the ballot concerning the room occupancy tax is as follows:

"[ ] FOR [ ] AGAINST

1 The levy of a room occupancy tax in the amount of up to five percent (5%) of  
2 the gross receipts derived from the rental of an accommodation located within  
3 the town."

4 (3) A majority of those voting in the referendum vote for the levy of the room  
5 occupancy tax.

6 (4) The Town Council of the Town of Indian Trail adopts a resolution levying the  
7 room occupancy tax after providing not less than 10 days' public notice of the  
8 levy. A room occupancy tax shall become effective on the date specified in  
9 the resolution levying the tax, which must be the first day of a calendar month  
10 and may not be earlier than the first day of the second month after the date the  
11 resolution is adopted.

12 **SECTION 2.1.(c) Rate Increase.** – The Town Council of the Town of Indian Trail  
13 may, by resolution and after not less than 10 days' public notice and a public hearing, increase  
14 the rate of the tax to a rate not in excess of that approved in an election held pursuant to subsection  
15 (b) of this section. A rate increase shall become effective on the date specified in the resolution  
16 levying the increase, which must be the first day of a calendar month and may not be earlier than  
17 the first day of the second month after the date the resolution is adopted.

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

21 **SECTION 2.1.(e) Distribution and Use of Tax Revenue.** – The Town of Indian Trail  
22 shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Indian Trail Tourism  
23 Development Authority. The Authority shall use at least two-thirds of the funds remitted to it  
24 under this subsection to promote travel and tourism and shall use the remainder for  
25 tourism-related expenditures in the Town of Indian Trail.

26 The following definitions apply in this section:

27 (1) Net proceeds. – Gross proceeds less the cost to the town of administering and  
28 collecting the tax, as determined by the finance officer, not to exceed three  
29 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross  
30 proceeds collected each year and one percent (1%) of the remaining gross  
31 proceeds collected each year.

32 (2) Promote travel and tourism. – To advertise or market an area or activity,  
33 publish and distribute pamphlets and other materials, conduct market research,  
34 or engage in similar promotional activities that attract tourists or business  
35 travelers to the area. The term includes administrative expenses incurred in  
36 engaging in the listed activities.

37 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the  
38 Indian Trail Tourism Development Authority, are designed to increase the use  
39 of lodging facilities, meeting facilities, or convention facilities in the town or  
40 to attract tourists or business travelers to the town. The term includes  
41 tourism-related capital expenditures.

42 **SECTION 2.2. Tourism Development Authority.** – (a) Appointment and  
43 Membership. – When the Town Council adopts a resolution levying a room occupancy tax under  
44 this Part, it shall also adopt a resolution creating the Indian Trail Tourism Development  
45 Authority, which shall be a public authority under the Local Government Budget and Fiscal  
46 Control Act. The resolution shall provide for the membership of the Authority, including the  
47 members' terms of office, and for the filling of vacancies on the Authority. At least one-third of  
48 the members shall be individuals who are affiliated with businesses that collect the tax in the  
49 town, and at least one-half of the members shall be individuals who are currently active in the  
50 promotion of travel and tourism in the town. The Town Council shall designate one member of

1 the Authority as chair and shall determine the compensation, if any, to be paid to members of the  
 2 Authority.

3 The Authority shall meet at the call of the chair and shall adopt rules of procedure to  
 4 govern its meetings. The finance officer for the Town of Indian Trail shall be the ex officio  
 5 finance officer of the Authority.

6 **SECTION 2.2.(b) Duties.** – The Authority shall expend the net proceeds of the tax  
 7 levied under this Part for promoting travel and tourism in the town and for tourism-related  
 8 expenditures in the town as provided in this Part.

9 **SECTION 2.2.(c) Reports.** – The Authority shall report quarterly and at the close of  
 10 the fiscal year to the Indian Trail Town Council on its receipts and expenditures for the preceding  
 11 quarter and for the year in such detail as the Town Council may require.  
 12

13 **PART III. TOWN OF STALLINGS OCCUPANCY TAX**

14 **SECTION 3.1. Stallings District S Created.** – Stallings District S is created as a  
 15 taxing district. Its jurisdiction consists of only that part of the Town of Stallings that is located  
 16 within Union County. Stallings District S is a body politic and corporate and has the power to  
 17 carry out the provisions of this Part. The Stallings Town Council shall serve ex officio as the  
 18 governing body of the district, and the officers of the town shall serve as the officers of the  
 19 governing body of the district. A simple majority of the governing body constitutes a quorum,  
 20 and approval by a majority of those present is sufficient to determine any matter before the  
 21 governing body, if a quorum is present.

22 **SECTION 3.2. Occupancy tax.** – (a) Authorization and Scope. – If the majority of  
 23 those voting in a referendum held pursuant to subsection (b) of this section vote for the levy of  
 24 the tax, the governing body of Stallings District S may levy a room occupancy tax of up to five  
 25 percent (5%) of the gross receipts derived from the rental of an accommodation within the district  
 26 that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition  
 27 to any State or local sales tax.

28 **SECTION 3.2.(b) Referendum.** – Notwithstanding G.S. 160A-215(b), a room  
 29 occupancy tax authorized under subsection (a) of this section may be levied only if all of the  
 30 following conditions are met:

- 31 (1) The governing body of Stallings District S directs the county board of  
 32 elections to conduct an advisory referendum on the question of whether to  
 33 levy the room occupancy tax.
- 34 (2) The election is held in accordance with the procedures of G.S. 163-287, and  
 35 the form of the question to be presented on the ballot concerning the room  
 36 occupancy tax is as follows:

37 " [ ] FOR [ ] AGAINST

38 The levy of a room occupancy tax in the amount of up to five percent (5%) of  
 39 the gross receipts derived from the rental of an accommodation located within  
 40 the part of the Town of Stallings that is in Union County."

- 41 (3) A majority of those voting in the referendum vote for the levy of the room  
 42 occupancy tax.
- 43 (4) The governing body of Stallings District S adopts a resolution levying the  
 44 room occupancy tax after providing not less than 10 days' public notice of the  
 45 levy. A room occupancy tax shall become effective on the date specified in  
 46 the resolution levying the tax, which must be the first day of a calendar month  
 47 and may not be earlier than the first day of the second month after the date the  
 48 resolution is adopted.

49 **SECTION 3.2.(c) Rate Increase.** – The governing body of Stallings District S may,  
 50 by resolution and after not less than 10 days' public notice and a public hearing, increase the rate  
 51 of the tax to a rate not in excess of that approved in an election held pursuant to subsection (b) of

1 this section. A rate increase shall become effective on the date specified in the resolution levying  
2 the increase, which must be the first day of a calendar month and may not be earlier than the first  
3 day of the second month after the date the resolution is adopted.

4 **SECTION 3.2.(d)** Administration. – A tax levied under this section shall be  
5 administered, collected, and repealed as provided in G.S. 160A-215 as if Stallings District S were  
6 a city. The penalties provided in G.S. 160A-215 apply to a tax levied under this section.

7 **SECTION 3.2.(e)** Distribution and Use of Tax Revenue. – Stallings District S shall,  
8 on a quarterly basis, remit the net proceeds of the occupancy tax to the Stallings District S  
9 Tourism Development Authority. The Authority shall use at least two-thirds of the proceeds  
10 remitted to it to promote travel and tourism and shall use the remainder for tourism-related  
11 expenditures. In accordance with the North Carolina Constitution and the United States  
12 Constitution, the tax proceeds may be used only for the direct benefit of the jurisdiction of  
13 Stallings District S.

14 The following definitions apply in this section:

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

30 **SECTION 3.3.** Stallings District S Tourism Development Authority. – (a)  
31 Appointment and Membership. – When the governing body of the district adopts a resolution  
32 levying a room occupancy tax under this Part, it shall also adopt a resolution creating the Stallings  
33 District S Tourism Development Authority, which shall be a public authority under the Local  
34 Government Budget and Fiscal Control Act. The resolution shall provide for the membership of  
35 the Authority, including the members' terms of office, and for the filling of vacancies on the  
36 Authority. At least one-third of the members must be individuals affiliated with businesses that  
37 collect the tax in the district, and at least one-half of the members must be individuals currently  
38 active in the promotion of travel and tourism in the district. The governing body of the district  
39 shall designate one member of the Authority as chair and shall determine the compensation, if  
40 any, to be paid to members of the Authority.

41 The Authority shall meet at the call of the chair and shall adopt rules of procedure to  
42 govern its meetings. The finance officer for the governing body of the district shall be the ex  
43 officio finance officer of the Authority.

44 **SECTION 3.3.(b)** Duties. – The Authority shall expend the net proceeds of the tax  
45 levied under this Part for promoting travel and tourism in the district and for tourism-related  
46 expenditures in the district as provided in this Part.

47 **SECTION 3.3.(c)** Reports. – The Authority shall report quarterly and at the close of  
48 the fiscal year to the governing body of the district on its receipts and expenditures for the  
49 preceding quarter and for the year in such detail as the governing body of the district may require.

## 50 **PART IV. UNION COUNTY OCCUPANCY TAX**

1           **SECTION 4.1.** Occupancy tax. – (a) Authorization and Scope. – If the majority of  
2 those voting in a referendum held pursuant to subsection (b) of this section vote for the levy of  
3 the tax, the Union County Board of Commissioners may levy a room occupancy tax of one  
4 percent (1%) of the gross receipts derived from the rental of an accommodation within the county  
5 that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition  
6 to any State or local sales tax.

7           **SECTION 4.1.(b)** Referendum. – Notwithstanding G.S. 153A-155(b), a room  
8 occupancy tax authorized under subsection (a) of this section may be levied only if all of the  
9 following conditions are met:

10           (1) The Union County Board of Commissioners directs the county board of  
11 elections to conduct an advisory referendum on the question of whether to  
12 levy the room occupancy tax.

13           (2) The election is held in accordance with the procedures of G.S. 163-287, and  
14 the form of the question to be presented on the ballot concerning the room  
15 occupancy tax is as follows:

16   " FOR            AGAINST

17           The levy of a room occupancy tax in the amount of one percent (1%) of the  
18 gross receipts derived from the rental of an accommodation located within the  
19 county."

20           (3) A majority of those voting in the referendum vote for the levy of the room  
21 occupancy tax.

22           (4) The Union County Board of Commissioners adopts a resolution levying the  
23 room occupancy tax after providing not less than 10 days' public notice of the  
24 levy. A room occupancy tax shall become effective on the date specified in  
25 the resolution levying the tax, which must be the first day of a calendar month  
26 and may not be earlier than the first day of the second month after the date the  
27 resolution is adopted.

28           **SECTION 4.1.(c)** Administration. – A tax levied under this section shall be  
29 administered, collected, and repealed as provided in G.S. 153A-155. The penalties provided in  
30 G.S. 153A-155 apply to a tax levied under this section.

31           **SECTION 4.1.(d)** Distribution and Use of Tax Revenue. – Union County shall, on  
32 a quarterly basis, remit the net proceeds of the occupancy tax to the Union 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 and shall use the remainder for  
35 tourism-related expenditures in the county.

36           The following definitions apply in this section:

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 the  
48 Union County Tourism Development Authority, are designed to increase the  
49 use of lodging facilities, meeting facilities, or convention facilities in the  
50 county or to attract tourists or business travelers to the county. The term  
51 includes tourism-related capital expenditures.

1           **SECTION 4.2.** Tourism Development Authority. – (a) Appointment and  
2 Membership. – When the Union County Board of Commissioners adopts a resolution levying a  
3 room occupancy tax under this Part, it shall also adopt a resolution creating the Union County  
4 Tourism 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 Authority,  
6 including the members' terms of office, and for the filling of vacancies on the Authority. At least  
7 one-third of the members shall be individuals who are affiliated with businesses that collect the  
8 tax in the county, and at least one-half of the members shall be individuals who are currently  
9 active in the promotion of travel and tourism in the county. The board of commissioners 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 Union County shall be the ex officio finance officer  
14 of the Authority.

15           **SECTION 4.2.(b)** Duties. – The Authority shall expend the net proceeds of the tax  
16 levied under this Part for promoting travel and tourism in the county and for tourism-related  
17 expenditures in the county as provided in this Part.

18           **SECTION 4.2.(c)** Reports. – The Authority shall report quarterly and at the close of  
19 the fiscal year to the Union County Board of Commissioners on its receipts and expenditures for  
20 the preceding quarter and for the year in such detail as the board may require.

## 21 **PART V. GRAHAM COUNTY OCCUPANCY TAX**

22           **SECTION 5.1.(a)** Graham County District G Created. – Graham County District G  
23 is created as a taxing district. Its jurisdiction consists of that part of Graham County that is located  
24 outside of incorporated areas within the county. Graham County District G is a body politic and  
25 corporate and has the power to carry out the provisions of this section. The Graham County Board  
26 of Commissioners shall serve ex officio as the governing body of the district, and the officers of  
27 the county shall serve as the officers of the governing body of the district. A simple majority of  
28 the governing body constitutes a quorum, and approval by a majority of those present is sufficient  
29 to determine any matter before the governing body, if a quorum is present.

30           **SECTION 5.1.(b)** Authorization and Scope. – The governing body of Graham  
31 County District G may levy a room occupancy tax of up to three percent (3%) of the gross receipts  
32 derived from the rental of an accommodation within the district that is subject to sales tax  
33 imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local  
34 sales or room occupancy tax.

35           **SECTION 5.1.(c)** Administration. – A tax levied under this section shall be levied,  
36 administered, collected, and repealed as provided in G.S. 153A-155 as if Graham County District  
37 G were a county. The penalties provided in G.S. 153A-155 apply to a tax levied under this  
38 section.

39           **SECTION 5.1.(d)** Definitions. – The following definitions apply in this Part:

- 40           (1) Net proceeds. – Gross proceeds less the cost to the district of administering  
41 and collecting the tax, as determined by the finance officer, not to exceed three  
42 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross  
43 proceeds collected each year and one percent (1%) of the remaining gross  
44 proceeds collected each year.
- 45           (2) Promote travel and tourism. – To advertise or market an area or activity,  
46 publish and distribute pamphlets and other materials, conduct market research,  
47 or engage in similar promotional activities that attract tourists or business  
48 travelers to the area. The term includes administrative expenses incurred in  
49 engaging in the listed activities.  
50

- 1 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the  
2 Graham County Tourism Development Authority, are designed to increase the  
3 use of lodging facilities, meeting facilities, or convention facilities in the  
4 district or to attract tourists or business travelers to the district. The term  
5 includes tourism-related capital expenditures.

6 **SECTION 5.1.(e)** Distribution and Use of Tax Revenue. – Graham County District  
7 G shall, on a quarterly basis, remit the net proceeds of the occupancy tax levied under this Part  
8 to the Graham County Tourism Development Authority. The Authority shall deposit one hundred  
9 percent (100%) of the net proceeds of the room occupancy and tourism development tax levied  
10 under this section into a special fund, the cash balance of which shall be deposited at interest or  
11 invested in accordance with G.S. 159-30. The Authority shall use at least two-thirds of the funds  
12 remitted to it under this subsection to promote travel and tourism in Graham County District G  
13 and shall use the remainder for tourism-related expenditures in the district. In accordance with  
14 the North Carolina Constitution and the United States Constitution, the tax proceeds may be used  
15 only for the direct benefit of the jurisdiction of Graham County District G.

## 16 17 **PART VI. TOWN OF LANSING OCCUPANCY TAX**

18 **SECTION 6.1.** Occupancy tax. – (a) Authorization and Scope. – The Town of  
19 Lansing Board of Aldermen may levy a room occupancy tax of up to three percent (3%) of the  
20 gross receipts derived from the rental of an accommodation within the town that is subject to  
21 sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or  
22 local sales tax.

23 **SECTION 6.1.(b)** Administration. – A tax levied under this Part shall be levied,  
24 administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in  
25 G.S. 160A-215 apply to a tax levied under this Part.

26 **SECTION 6.1.(c)** Distribution and Use of Tax Revenue. – The Town of Lansing  
27 shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Lansing Tourism  
28 Development Authority. The Authority shall use at least two-thirds of the funds to promote travel  
29 and tourism and shall use the remainder for tourism-related expenditures in the town.

30 The following definitions apply in this subsection:

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

46 **SECTION 6.2.** Tourism Development Authority. – (a) Appointment and  
47 Membership. – When the Town of Lansing Board of Aldermen adopts a resolution levying a  
48 room occupancy tax under this Part, it shall also adopt a resolution creating a town Tourism  
49 Development Authority, which shall be a public authority under the Local Government Budget  
50 and Fiscal Control Act. The resolution shall provide for the membership of the Authority,  
51 including the members' terms of office, and for the filling of vacancies on the Authority. At least



1 one-third of the members shall be individuals who are affiliated with businesses that collect tax  
2 in the town, and at least one-half of the members shall be individuals who are currently active in  
3 the promotion of travel and tourism in the town. The Town of Lansing Board of Aldermen shall  
4 designate one member of the Authority as chair and shall determine the compensation, if any, to  
5 be paid to members of the Authority.

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

9 **SECTION 6.2.(b) Duties.** – The Authority shall expend the net proceeds of the tax  
10 levied under this Part for promoting travel and tourism and for tourism-related expenditures as  
11 provided in this Part.

12 **SECTION 6.2.(c) Reports.** – The Authority shall report quarterly and at the close of  
13 the fiscal year to the Town of Lansing Board of Aldermen on its receipts and expenditures for  
14 the preceding quarter and for the year in such detail as the Board of Aldermen may require.  
15

## 16 **PART VII. TOWN OF JEFFERSON OCCUPANCY TAX**

17 **SECTION 7.1. Occupancy tax.** – (a) Authorization and Scope. – The Town of  
18 Jefferson Board of Aldermen may levy a room occupancy tax of up to three percent (3%) of the  
19 gross receipts derived from the rental of an accommodation within the town that is subject to  
20 sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or  
21 local sales tax.

22 **SECTION 7.1.(b) Administration.** – A tax levied under this Part shall be levied,  
23 administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in  
24 G.S. 160A-215 apply to a tax levied under this Part.

25 **SECTION 7.1.(c) Distribution and Use of Tax Revenue.** – The Town of Jefferson  
26 shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Jefferson Tourism  
27 Development Authority. The Authority shall use at least two-thirds of the funds to promote travel  
28 and tourism and shall use the remainder for tourism-related expenditures in the town.

29 The following definitions apply in this subsection:

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

45 **SECTION 7.2. Tourism Development Authority.** – (a) Appointment and  
46 Membership. – When the Town of Jefferson Board of Aldermen adopts a resolution levying a  
47 room occupancy tax under this Part, it shall also adopt a resolution creating a town Tourism  
48 Development Authority, which shall be a public authority under the Local Government Budget  
49 and Fiscal Control Act. The resolution shall provide for the membership of the Authority,  
50 including the members' terms of office, and for the filling of vacancies on the Authority. At least  
51 one-third of the members shall be individuals who are affiliated with businesses that collect tax

1 in the town, and at least one-half of the members shall be individuals who are currently active in  
2 the promotion of travel and tourism in the town. The Town of Jefferson Board of Aldermen shall  
3 designate one member of the Authority as chair and shall determine the compensation, if any, to  
4 be paid to members of the Authority.

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

8 **SECTION 7.2.(b) Duties.** – The Authority shall expend the net proceeds of the tax  
9 levied under this Part for promoting travel and tourism and for tourism-related expenditures as  
10 provided in this Part.

11 **SECTION 7.2.(c) Reports.** – The Authority shall report quarterly and at the close of  
12 the fiscal year to the Town of Jefferson Board of Aldermen on its receipts and expenditures for  
13 the preceding quarter and for the year in such detail as the Board of Aldermen may require.  
14

## 15 **PART VIII. STOKES COUNTY OCCUPANCY TAX**

16 **SECTION 8.1. Occupancy tax.** – (a) Authorization and Scope. – The Stokes County  
17 Board of Commissioners may levy a room occupancy tax of up to six percent (6%) of the gross  
18 receipts derived from the rental of an accommodation within the county that is subject to sales  
19 tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local  
20 sales tax.

21 **SECTION 8.1.(b) Administration.** – A tax levied under this section shall be levied,  
22 administered, collected, and repealed as provided in G.S. 153A-155. The penalties provided in  
23 G.S. 153A-155 apply to a tax levied under this section.

24 **SECTION 8.1.(c) Distribution and Use of Tax Revenue.** – Stokes County shall, on  
25 a quarterly basis, remit the net proceeds of the occupancy tax to the Stokes County Tourism  
26 Development Authority. The Authority shall use at least two-thirds of the funds to promote travel  
27 and tourism and shall use the remainder for tourism-related expenditures in the county.

28 The following definitions apply in this subsection:

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

44 **SECTION 8.2. Tourism Development Authority.** – (a) Appointment and  
45 Membership. – When the Stokes County Board of Commissioners adopts a resolution levying a  
46 room occupancy tax under this Part, it shall also adopt a resolution creating a county Tourism  
47 Development Authority, which shall be a public authority under the Local Government Budget  
48 and Fiscal Control Act. The resolution shall provide for the membership of the Authority,  
49 including the members' terms of office, and for the filling of vacancies on the Authority. At least  
50 one-third of the members shall be individuals who are affiliated with businesses that collect the  
51 tax in the county, and at least one-half of the members shall be individuals who are currently

1 active in the promotion of travel and tourism in the county. The Stokes County Board of  
2 Commissioners shall designate one member of the Authority as chair and shall determine the  
3 compensation, if any, to be paid to members of the Authority.

4 The Authority shall meet at the call of the chair and shall adopt rules of procedure to  
5 govern its meetings. The finance officer for Stokes County shall be the ex officio finance officer  
6 of the Authority.

7 **SECTION 8.2.(b) Duties.** – The Authority shall expend the net proceeds of the tax  
8 levied under this Part for promoting travel and tourism and for tourism-related expenditures as  
9 provided in this Part.

10 **SECTION 8.2.(c) Reports.** – The Authority shall report quarterly and at the close of  
11 the fiscal year to the Stokes County Board of Commissioners on its receipts and expenditures for  
12 the preceding quarter and for the year in such detail as the Board may require.  
13

## 14 **PART IX. WILKES COUNTY OCCUPANCY TAX**

15 **SECTION 9.1.(a)** Part IX of S.L. 2001-439 is repealed.

16 **SECTION 9.1.(b)** Any revenue collected by the Town of Wilkesboro under Part IX  
17 of S.L. 2001-439 prior to the effective date of this section may be used only for the direct benefit  
18 of the Town of Wilkesboro. The net proceeds of the occupancy tax levied under this Part shall  
19 supplement rather than supplant any proceeds being used in the Town of Wilkesboro derived  
20 from the occupancy tax levied by the Town under Part IX of S.L. 2001-439.

21 **SECTION 9.2.(a)** Sections 8 and 9 of S.L. 2010-78 are repealed.

22 **SECTION 9.2.(b)** Any revenue collected by Wilkes County District K under  
23 Sections 8 and 9 of S.L. 2010-78 prior to the effective date of this section may be used only for  
24 the direct benefit of Wilkes County District K, as it existed prior to the effective date of this  
25 section. The net proceeds of the occupancy tax levied under this Part shall supplement rather than  
26 supplant any proceeds being used in the jurisdiction of Wilkes County District K derived from  
27 the occupancy tax levied by the district under Sections 8 and 9 of S.L. 2010-78.

28 **SECTION 9.3. Wilkes County District W Created.** – Wilkes County District W is  
29 created as a taxing district. Its jurisdiction consists of only that part of Wilkes County that is  
30 located outside of the incorporated area of the Town of Elkin. Wilkes County District W is a  
31 body politic and corporate and has the power to carry out the provisions of this Part. The Wilkes  
32 County Board of Commissioners shall serve ex officio as the governing body of the district, and  
33 the officers of the County shall serve as the officers of the governing body of the district. A  
34 simple majority of the governing body constitutes a quorum, and approval by a majority of those  
35 present is sufficient to determine any matter before the governing body, if a quorum is present.

36 **SECTION 9.4. Occupancy tax.** – (a) Authorization and Scope. – The governing body  
37 of Wilkes County District W may levy a room occupancy tax of up to six percent (6%) of the  
38 gross receipts derived from the rental of an accommodation within the district that is subject to  
39 sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or  
40 local sales tax.

41 **SECTION 9.4.(b) Administration.** – A tax levied under this section shall be levied,  
42 administered, collected, and repealed as provided in G.S. 153A-155 as if Wilkes County District  
43 W were a county. The penalties provided in G.S. 153A-155 apply to a tax levied under this  
44 section.

45 **SECTION 9.4.(c) Distribution and Use of Tax Revenue.** – Wilkes County District  
46 W shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Wilkes County  
47 District W Tourism Development Authority. The Authority shall use at least two-thirds of the  
48 funds to promote travel and tourism and shall use the remainder for tourism-related expenditures  
49 in the district. In accordance with the North Carolina Constitution and the United States  
50 Constitution, the tax proceeds may be used only for the direct benefit of the jurisdiction of Wilkes

1 County District W. None of the proceeds may be used to promote travel or tourism or for  
2 tourism-related expenditures in areas within Wilkes County that are outside of the district.

3 The following definitions apply in this subsection:

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

19 **SECTION 9.5.** Tourism Development Authority. – (a) Appointment and  
20 Membership. – When the governing body of the Wilkes County District W adopts a resolution  
21 levying a room occupancy tax under this Part, it shall also adopt a resolution creating a district  
22 Tourism Development Authority, which shall be a public authority under the Local Government  
23 Budget and Fiscal Control Act. The resolution shall provide for the membership of the Authority,  
24 including the members' terms of office, and for the filling of vacancies on the Authority. The  
25 district Tourism Development Authority shall consist of the following members:

- 26 (1) Two members appointed by the Wilkes County Board of Commissioners, one  
27 of whom must be an individual affiliated with a business that collects the tax  
28 in the district and another who must be an individual currently active in the  
29 promotion of travel and tourism in the district.
- 30 (2) Two members appointed by the Wilkesboro Town Council, one of whom must  
31 be an individual affiliated with a business that collects the tax in Wilkesboro  
32 and another who must be an individual currently active in the promotion of  
33 travel and tourism in Wilkesboro.
- 34 (3) One member appointed by the North Wilkesboro Board of Commissioners  
35 who is (i) an individual affiliated with a business that collects the tax in North  
36 Wilkesboro or (ii) an individual currently active in the promotion of travel and  
37 tourism in North Wilkesboro.
- 38 (4) One member appointed by the Ronda Board of Commissioners who is (i) an  
39 individual affiliated with a business that collects the tax in Ronda or (ii) an  
40 individual currently active in the promotion of travel and tourism in Ronda.

41 The district Tourism Development Authority may, by majority vote, appoint up to  
42 two additional members to the Authority. Any additional member appointed by the Authority  
43 must be either (i) an individual affiliated with a business that collects the tax in the district or (ii)  
44 an individual currently active in the promotion of travel and tourism in the district.

45 Notwithstanding the options available under this section, the overall composition of  
46 the Authority, including any additional members, must in all cases consist of at least one-third of  
47 the members who are individuals affiliated with the businesses that collect the tax in the district  
48 and at least one-half of the members who are individuals currently active in the promotion of  
49 travel and tourism in the district.

50 The governing body of the district shall designate one member of the Authority as  
51 chair and shall determine the compensation, if any, to be paid to members of the Authority. The

1 Authority shall meet at the call of the chair and shall adopt rules of procedure to govern its  
2 meetings. The finance officer for the governing body of the district shall be the ex officio finance  
3 officer of the Authority.

4 **SECTION 9.5.(b) Duties.** – The Authority shall expend the net proceeds of the tax  
5 levied under this Part for promoting travel and tourism and for tourism-related expenditures as  
6 provided in this Part.

7 **SECTION 9.5.(c) Reports.** – The Authority shall report quarterly and at the close of  
8 the fiscal year to the governing body of the district on its receipts and expenditures for the  
9 preceding quarter and for the year in such detail as the governing body of the district may require.

10 **SECTION 9.6.** The governing body of Wilkes County District K, the Wilkes County  
11 Board of Commissioners, the Wilkesboro Town Council, the North Wilkesboro Board of  
12 Commissioners, and the Ronda Board of Commissioners shall adopt any resolutions or modify  
13 any adopted resolutions, as needed, to carry out the provisions of this Part.

14 **SECTION 9.7.** This Part does not affect the rights or liabilities of the State, a  
15 taxpayer, or another person arising under an act repealed by this Part before the effective date of  
16 its repeal, nor does it affect the right to any refund or credit of a tax that accrued under the  
17 repealed act before the effective date of its repeal.

18 **SECTION 9.8.** Sections 9.1 and 9.2 of this Part become effective when the governing  
19 body of Wilkes County District W adopts a resolution levying a room occupancy tax under  
20 Section 9.4 of this Part. The remainder of this Part is effective when it becomes law.

## 21 **PART X. YANCEY COUNTY OCCUPANCY TAX**

22 **SECTION 10.1.** Chapter 140 of the 1987 Session Laws, as amended by Section 21(l)  
23 of S.L. 2007-527, reads as rewritten:

24 **"Section 1. Occupancy Tax.** (a) ~~Authorization and Scope.~~ Scope. – The Yancey County  
25 Board of Commissioners ~~may, by resolution, after not less than 10 days' public notice and a~~  
26 ~~public hearing pursuant thereto, may~~ levy a room occupancy tax of up to three percent (3%) of  
27 the gross receipts derived from the rental of ~~any room, lodging, or similar an~~ accommodation  
28 ~~furnished by a hotel, motel, inn, or similar place of business~~ within the county that is subject to  
29 sales tax imposed by the State ~~or local sales tax laws. This tax does not apply to accommodations~~  
30 ~~furnished by educational, religious, or summer camp organizations under G.S. 105-164.4(a)(3).~~  
31 This tax is in addition to any State or local sales tax.

32 (a1) **Additional Occupancy Tax.** – In addition to the tax authorized by subsection (a) of  
33 this section, the Yancey County Board of Commissioners may levy an additional room  
34 occupancy tax of up to three percent (3%) of the gross receipts derived from the rental of  
35 accommodations taxable under subsection (a) of this section. The levy, collection,  
36 administration, and repeal of the tax authorized by this subsection shall be in accordance with  
37 the provisions of this section. Yancey County may not levy a tax under this subsection unless it  
38 also levies the tax authorized under subsection (a) of this section.

39 ~~(b) **Collection.** Every operator of a business subject to the tax levied under this act shall,~~  
40 ~~on and after the effective date of the levy of the tax, collect the tax as part of the charge for~~  
41 ~~furnishing a taxable accommodation. The tax shall be stated and charged separately from the~~  
42 ~~sales records and shall be paid by the purchaser to the operator of the business as trustee for and~~  
43 ~~on account of the county. The tax shall be added to the sales price and shall be passed on to the~~  
44 ~~purchaser. The county shall design, print, and furnish to all appropriate businesses the necessary~~  
45 ~~forms for filing returns with instructions to ensure the full and proper collection of the tax.~~

46 ~~(c) **Administration.** The county shall administer the tax levied under this act. The tax shall~~  
47 ~~be due and payable to the county in monthly installments on or before the 20th day of the month~~  
48 ~~following the month in which the tax is collected. Every person, firm, corporation, or association~~  
49 ~~liable for the tax shall, on or before the 20th day of each month, prepare and submit a return on~~  
50 ~~a form prescribed by the county. The return shall state the total gross receipts derived in the~~  
51

1 preceding month from rentals subject to the tax. A return filed with the county finance officer  
2 under this act is not a public record as defined by G.S. 132-1 and may not be disclosed except as  
3 required by law. Administration. – A tax levied under this section shall be levied, administered,  
4 collected, and repealed as provided in G.S. 153A-155. The penalties provided in G.S. 153A-155  
5 apply to a tax levied under this section.

6 (d) Penalties. Any person, firm, corporation, or association subject to this tax who fails  
7 or refuses to file the required return shall pay a penalty of ten dollars (\$10.00) for each day's  
8 failure to file. In case of failure or refusal to file the return or to pay the tax due for a period of  
9 30 days after the time required for filing the return or for paying the tax, there shall be an  
10 additional tax, as a penalty, of five percent (5%) of the tax due for each additional month or  
11 fraction thereof until the tax due has been paid.

12 Any person, firm, corporation, or association that willfully attempts in any manner to evade  
13 the tax imposed by this act or who willfully fails to pay the tax or make and file a proper return  
14 shall be guilty of a misdemeanor punishable by a fine not to exceed one thousand dollars (\$1,000)  
15 and/or imprisonment not to exceed six months, in addition to any other penalties provided by  
16 law. The Board of Commissioners may, however, for good cause shown, compromise or forgive  
17 the penalties imposed by this subsection.

18 (e) Distribution and Use of Revenue. The Tax Revenue. – Yancey County Board of  
19 Commissioners shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the  
20 Yancey County Chamber of Commerce (hereinafter referred to as the Chamber), which shall  
21 administer the funds through its Tourism and Travel Development Committee. The Chamber  
22 may spend the funds remitted to it for the following purposes only: Tourism Development  
23 Authority. The Authority shall use at least two-thirds of the funds to promote travel and tourism  
24 and shall use the remainder for tourism-related expenditures in the county.

25 The following definitions apply in this subsection:

- 26 (1) Direct advertising for visitor promotions, conventions, travel, and tourism in  
27 Yancey County, including outdoor advertising, print media, broadcast media,  
28 and brochures;
- 29 (2) Marketing and promotions expenses, including test market programs,  
30 consultant fees, entertainment, housing expenses, travel expenses, and  
31 registration fees; and
- 32 (3) Other expenses that aid and encourage visitor promotions, conventions, travel,  
33 and tourism in Yancey County.
- 34 (1) Net proceeds. – Gross proceeds less the cost to the county of administering  
35 and collecting the tax, as determined by the finance officer, not to exceed three  
36 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross  
37 proceeds collected each year and one percent (1%) of the remaining gross  
38 receipts collected each year.
- 39 (2) Promote travel and tourism. – To advertise or market an area or activity,  
40 publish and distribute pamphlets and other materials, conduct market research,  
41 or engage in similar promotional activities that attract tourists or business  
42 travelers to the area. The term includes administrative expenses incurred in  
43 engaging in the listed activities.
- 44 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the  
45 Authority, are designed to increase the use of accommodations, meeting  
46 facilities, or convention facilities in the county or to attract tourists or business  
47 travelers to the county. The term includes tourism-related capital  
48 expenditures.

49 (f) Effective Date of Levy. A tax levied under this act shall become effective on the date  
50 specified in the resolution levying the tax, which date shall be the first day of the second calendar  
51 month after the date the resolution is adopted.

1       (g) ~~Repeal. A tax levied under this act may be repealed by resolution of the Yancey~~  
2 ~~County Board of Commissioners. Repeal of the tax levied under this act shall become effective~~  
3 ~~on the first day of any designated month after the end of the county's fiscal year during which the~~  
4 ~~repeal resolution is adopted. Repeal of a tax levied under this act shall not affect liability for taxes~~  
5 ~~that attached before the effective date of repeal, nor does it affect rights of refund that accrued~~  
6 ~~before the effective date of the repeal or any other rights or liabilities incurred prior to the~~  
7 ~~effective date of the repeal.~~

8       "~~Sec. 2. Tourism and Travel Development Committee of the Yancey County Chamber of~~  
9 ~~Commerce. (a) Authorization. A Tourism Development Authority. – (a) Appointment and~~  
10 ~~Membership. – When the Yancey County Board of Commissioners adopts a resolution levying~~  
11 ~~a room occupancy tax under this act shall also authorize the Board of Directors of the Yancey~~  
12 ~~County Chamber of Commerce, through its Tourism and Travel Development Committee, to act~~  
13 ~~as trustee for and on account of the county as provided herein. The Chamber Board shall approve~~  
14 ~~all expenditures under this act as trustee for the county.~~Part, it shall also adopt a resolution  
15 creating the Yancey County Tourism Development Authority, which shall be a public authority  
16 under the Local Government Budget and Fiscal Control Act. The resolution shall provide for the  
17 membership of the Authority, including the members' terms of office, and for the filling of  
18 vacancies on the Authority. At least one-third of the members shall be individuals who are  
19 affiliated with businesses that collect the tax in the county and at least one-half of the members  
20 shall be individuals who are currently active in the promotion of travel and tourism in the county.  
21 The Yancey County Board of Commissioners shall designate one member of the Authority as  
22 chair and shall determine the compensation, if any, to be paid to members of the Authority.

23       The Authority shall meet at the call of the chair and shall adopt rules of procedure to govern  
24 its meetings. The finance officer for Yancey County shall be the ex officio finance officer of the  
25 Authority.

26       ~~(b) Administration. The Chamber shall administer the funds on recommendation of its~~  
27 ~~Tourism and Travel Development Committee as constituted under the corporate bylaws of the~~  
28 ~~Chamber, and including counsel of two ex officio members of the Committee to be appointed by~~  
29 ~~the Yancey County Board of Commissioners.~~

30       ~~(c) Duties. Recommendations of this Committee and expenditures by the Chamber~~  
31 ~~through its Board of Directors shall be consistent with the intent of this act to promote and~~  
32 ~~encourage travel and tourism in Yancey County. The Chamber may contract with any agency,~~  
33 ~~firm, or person to advise or assist in such promotion, and funds received under this act may be~~  
34 ~~used for that purpose.~~Duties. – The Authority shall expend the net proceeds of the tax levied  
35 under this Part for promoting travel and tourism and for tourism-related expenditures as provided  
36 in this Part.

37       ~~(d) Accountability. The Chamber shall report at the close of the fiscal year to the Board~~  
38 ~~of County Commissioners on its receipts and expenditures for the preceding year in such detail~~  
39 ~~as the board may require.~~Reports. – The Authority shall report quarterly and at the close of the  
40 fiscal year to the Yancey County Board of Commissioners on its receipts and expenditures for  
41 the preceding quarter and for the year in such detail as the Board may require.

42       ~~(e) Review of Levy. The county shall periodically conduct a review of this levy and of~~  
43 ~~the disbursement of funds as provided herein.~~

44       ...."

## 45       **PART XI. TOWN OF CLAYTON OCCUPANCY TAX**

46       **SECTION 11.1.** Clayton District C Created. – Clayton District C is created as a  
47 taxing district. Its jurisdiction consists of only that part of the Town of Clayton that is located  
48 within Johnston County. Clayton District C is a body politic and corporate and has the power to  
49 carry out the provisions of this Part. The Clayton Town Council shall serve ex officio as the  
50 governing body of the district, and the officers of the town shall serve as the officers of the  
51

1 governing body of the district. A simple majority of the governing body constitutes a quorum,  
2 and approval by a majority of those present is sufficient to determine any matter before the  
3 governing body, if a quorum is present.

4 **SECTION 11.2.** Occupancy tax. – (a) Authorization and Scope. – The governing  
5 body of Clayton District C may levy a room occupancy tax of up to two percent (2%) of the gross  
6 receipts derived from the rental of an accommodation within the district that is subject to sales  
7 tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local  
8 sales tax.

9 **SECTION 11.2.(b)** Administration. – A tax levied under this section shall be levied,  
10 administered, collected, and repealed as provided in G.S. 160A-215 as if Clayton District C were  
11 a city. The penalties provided in G.S. 160A-215 apply to a tax levied under this section.

12 **SECTION 11.2.(c)** Distribution and Use of Tax Revenue. – Clayton District C shall,  
13 on a quarterly basis, remit the net proceeds of the occupancy tax to the Johnston County Tourism  
14 Authority created in Chapter 647 of the 1987 Session Laws. The Johnston County Tourism  
15 Authority shall use at least two-thirds of the proceeds remitted to it to promote travel and tourism  
16 in Clayton District C and shall use the remainder for tourism-related expenditures in Clayton  
17 District C. In accordance with the North Carolina Constitution and the United States Constitution,  
18 the tax proceeds may be used only for the direct benefit of the jurisdiction of Clayton District C.  
19 The net proceeds of the occupancy tax levied under this Part shall supplement rather than  
20 supplant any proceeds being used in Clayton District C derived from the occupancy tax levied  
21 by Johnston County pursuant to Chapter 647 of the 1987 Session Laws.

22 The following definitions apply in this section:

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

## 38 **PART XII. MITCHELL COUNTY OCCUPANCY TAX**

39 **SECTION 12.1.** Section 1 of Chapter 141 of the 1987 Session Laws, as amended by  
40 Section 21(m) of S.L. 2007-527 and Section 1.1 of S.L. 2022-40, reads as rewritten:

41 **"Section 1.** Occupancy tax. (a) Authorization and ~~scope.~~ **Scope.** – The Mitchell County  
42 Board of Commissioners may levy a room occupancy tax of up to three percent (3%) of the gross  
43 receipts derived from the rental of an accommodation within the county that is subject to sales  
44 tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local  
45 sales tax.

46 (a1) Additional Occupancy Tax. – In addition to the tax authorized by subsection (a) of  
47 this section, the Mitchell County Board of Commissioners may levy an additional room  
48 occupancy tax of up to three percent (3%) of the gross receipts derived from the rental of  
49 accommodations taxable under subsection (a) of this section. The levy, collection,  
50 administration, and repeal of the tax authorized by this subsection shall be in accordance with  
51



1 the provisions of this section. Mitchell County may not levy a tax under this subsection unless it  
2 also levies the tax authorized under subsection (a) of this section.

3 (c) Administration. – A tax levied under this section shall be levied, administered,  
4 collected, and repealed as provided in G.S. 153A-155. The penalties provided in G.S. 153A-155  
5 apply to a tax levied under this section.

6 (e) Distribution and use of tax revenue. – Mitchell County shall, on a quarterly basis,  
7 remit the net proceeds of the occupancy tax to the Mitchell County Tourism Development  
8 Authority. The Authority shall use at least two-thirds of the funds remitted to it under this  
9 subsection to promote travel and tourism in Mitchell County and shall use the remainder for  
10 tourism-related expenditures.

11 The following definitions apply in this subsection:

- 12 (1) Net proceeds. – Gross proceeds less the cost to the county of administering  
13 and collecting the tax, as determined by the finance officer, not to exceed three  
14 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross  
15 proceeds collected each year and one percent (1%) of the remaining gross  
16 proceeds collected each year.
- 17 (2) Promote travel and tourism. – To advertise or market an area or activity,  
18 publish and distribute pamphlets and other materials, conduct market research,  
19 or engage in similar promotional activities that attract tourists or business  
20 travelers to the area; the term includes administrative expenses incurred in  
21 engaging in the listed activities.
- 22 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the  
23 Mitchell County Tourism Development Authority, are designed to increase  
24 the use of lodging facilities, meeting facilities, or convention facilities in the  
25 county or to attract tourists or business travelers to the county. The term  
26 includes tourism-related capital expenditures."  
27

### 28 **PART XIII. WARREN COUNTY OCCUPANCY TAX**

29 **SECTION 13.1.** Occupancy tax. – (a) Authorization and Scope. – The Warren  
30 County Board of Commissioners may levy a room occupancy tax of up to five percent (5%) of  
31 the gross receipts derived from the rental of an accommodation within the county that is subject  
32 to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State  
33 or local sales tax.

34 **SECTION 13.1.(b)** Administration. – A tax levied under this Part shall be levied,  
35 administered, collected, and repealed as provided in G.S. 153A-155. The penalties provided in  
36 G.S. 153A-155 apply to a tax levied under this section.

37 **SECTION 13.1.(c)** Distribution and Use of Tax Revenue. – Warren County shall,  
38 on a quarterly basis, remit the net proceeds of the occupancy tax to the Warren County Tourism  
39 Development Authority. The Authority shall use at least two-thirds of the funds to promote travel  
40 and tourism and shall use the remainder for tourism-related expenditures in the county.

41 The following definitions apply in this subsection:

- 42 (1) Net proceeds. – Gross proceeds less the cost to the county of administering  
43 and collecting the tax, as determined by the finance officer, not to exceed three  
44 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross  
45 proceeds collected each year and one percent (1%) of the remaining gross  
46 receipts collected each year.
- 47 (2) Promote travel and tourism. – To advertise or market an area or activity,  
48 publish and distribute pamphlets and other materials, conduct market research,  
49 or engage in similar promotional activities that attract tourists or business  
50 travelers to the area. The term includes administrative expenses incurred in  
51 engaging in the listed activities.

- 1 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the  
2 Warren County Tourism Development Authority, are designed to increase the  
3 use of accommodations, meeting facilities, or convention facilities in the  
4 county or to attract tourists or business travelers to the county. The term  
5 includes tourism-related capital expenditures.

6 **SECTION 13.2.** Tourism Development Authority. – (a) Appointment and  
7 Membership. – When the Warren County Board of Commissioners adopts a resolution levying a  
8 room occupancy tax under this Part, it shall also adopt a resolution creating a county Tourism  
9 Development Authority, which shall be a public authority under the Local Government Budget  
10 and Fiscal Control Act. The resolution adopted by the Board of Commissioners shall provide for  
11 the membership of the Authority, including the members' terms of office, and for the filling of  
12 vacancies on the Authority. At least one-third of the members shall be individuals who are  
13 affiliated with businesses that collect the tax in the county, and at least one-half of the members  
14 shall be individuals who are currently active in the promotion of travel and tourism in the county.  
15 The Warren County Board of Commissioners shall designate one member of the Authority as  
16 chair and shall determine the compensation, if any, to be paid to members of the Authority.

17 The Authority shall meet at the call of the chair and shall adopt rules of procedure to  
18 govern its meetings. The finance officer for Warren County shall be the ex officio finance officer  
19 of the Authority.

20 **SECTION 13.2.(b)** Duties. – The Authority shall expend the net proceeds of the tax  
21 levied under this Part for promoting travel and tourism and for tourism-related expenditures as  
22 provided in this Part.

23 **SECTION 13.2.(c)** Reports. – The Authority shall report quarterly and at the close  
24 of the fiscal year to the Warren County Board of Commissioners on its receipts and expenditures  
25 for the preceding quarter and for the year in such detail as the Board of Commissioners may  
26 require.

#### 27 **PART XIV. TOWN OF ST. JAMES OCCUPANCY TAX**

28 **SECTION 14.2.** Occupancy tax. – (a) Authorization and Scope. – The St. James  
29 Town Council may levy a room occupancy tax of up to five percent (5%) of the gross receipts  
30 derived from the rental of an accommodation within the town that is subject to sales tax imposed  
31 by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax.

32 **SECTION 14.2.(b)** Administration. – A tax levied under this section shall be levied,  
33 administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in  
34 G.S. 160A-215 apply to a tax levied under this section.

35 **SECTION 14.2.(c)** Distribution and Use of Tax Revenue. – The Town of St. James  
36 shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the St. James Tourism  
37 Development Authority. The Authority shall use at least two-thirds of the funds remitted to it  
38 under this subsection to promote travel and tourism in the Town of St. James and shall use the  
39 remainder for tourism-related expenditures.

40 The following definitions apply in this section:

- 41 (1) Net proceeds. – Gross proceeds less the cost to the town of administering and  
42 collecting the tax, as determined by the finance officer, not to exceed three  
43 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross  
44 proceeds collected each year and one percent (1%) of the remaining gross  
45 proceeds collected each year.
- 46 (2) Promote travel and tourism. – To advertise or market an area or activity,  
47 publish and distribute pamphlets and other materials, conduct market research,  
48 or engage in similar promotional activities that attract tourists or business  
49 travelers to the area. The term includes administrative expenses incurred in  
50 engaging in the listed activities.  
51

- 1 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the St.  
2 James Tourism Development Authority, are designed to increase the use of  
3 lodging facilities, meeting facilities, or convention facilities in the town or to  
4 attract tourists or business travelers to the town. The term includes  
5 tourism-related capital expenditures.

6 **SECTION 14.2.(d)** Tourism Development Authority. – Appointment and  
7 Membership. – When the Town Council adopts a resolution levying a room occupancy tax under  
8 this section, it shall also adopt a resolution creating the St. James Tourism Development  
9 Authority, which shall be a public authority under the Local Government Budget and Fiscal  
10 Control Act. The resolution shall provide for the membership of the Authority, including the  
11 members' terms of office, and for the filling of vacancies on the Authority. At least one-third of  
12 the members shall be individuals who are affiliated with businesses that collect the tax in the  
13 town, and at least one-half of the members shall be individuals who are currently active in the  
14 promotion of travel and tourism in the town. The Town Council shall designate one member of  
15 the Authority as chair and shall determine the compensation, if any, to be paid to members of the  
16 Authority.

17 The Authority shall meet at the call of the chair and shall adopt rules of procedure to  
18 govern its meetings. The finance officer for the Town of St. James shall be the ex officio finance  
19 officer of the Authority.

20 **SECTION 14.2.(e)** Duties. – The Authority shall expend the net proceeds of the tax  
21 levied under this Part for promoting travel and tourism and for tourism-related expenditures as  
22 provided in this Part.

23 **SECTION 14.2.(f)** Reports. – The Authority shall report quarterly and at the close  
24 of the fiscal year to the St. James Town Council on its receipts and expenditures for the preceding  
25 quarter and for the year in such detail as the Town Council may require.

## 26 **PART XV. TOWN OF FOUR OAKS OCCUPANCY TAX**

27 **SECTION 15.1.** Occupancy tax. – (a) Authorization and Scope. – The Four Oaks  
28 Board of Commissioners may levy a room occupancy tax of up to two percent (2%) of the gross  
29 receipts derived from the rental of an accommodation within the town that is subject to sales tax  
30 imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local  
31 sales tax.

32 **SECTION 15.1.(b)** Administration. – A tax levied under this section shall be levied,  
33 administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in  
34 G.S. 160A-215 apply to a tax levied under this section.

35 **SECTION 15.1.(c)** Distribution and Use of Tax Revenue. – The Town of Four Oaks  
36 shall, on a quarterly basis, remit the net proceeds of the occupancy tax to Johnston County  
37 Tourism Authority created in Chapter 647 of the 1987 Session Laws. The Johnston County  
38 Tourism Authority shall use at least two-thirds of the funds remitted to it under this subsection  
39 to promote travel and tourism in the Town of Four Oaks and shall use the remainder for  
40 tourism-related expenditures in the Town of Four Oaks. In accordance with the North Carolina  
41 Constitution and the United States Constitution, the tax proceeds may be used only for the direct  
42 benefit of the Town of Four Oaks. None of the proceeds may be used to promote travel or tourism  
43 in areas within Johnston County that are outside of the Town of Four Oaks or for tourism-related  
44 expenditures in the county that are outside of the Town of Four Oaks. The net proceeds of the  
45 occupancy tax levied under this Part shall supplement rather than supplant any proceeds being  
46 used in the Town of Four Oaks derived from the occupancy tax levied by Johnston County  
47 pursuant to Chapter 647 of the 1987 Session Laws.

48 The following definitions apply in this section:

- 49 (1) Net proceeds. – Gross proceeds less the cost to the town of administering and  
50 collecting the tax, as determined by the finance officer, not to exceed three  
51

1 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross  
2 proceeds collected each year and one percent (1%) of the remaining gross  
3 proceeds collected each year.

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

9 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the  
10 Tourism Authority, are designed to increase the use of lodging facilities,  
11 meeting facilities, or convention facilities in the town or to attract tourists or  
12 business travelers to the town. The term includes tourism-related capital  
13 expenditures.

## 14 **PART XVI. BERTIE COUNTY OCCUPANCY TAX**

15 **SECTION 16.1.** Occupancy tax. – (a) Authorization and Scope. – The Bertie County  
16 Board of Commissioners may levy a room occupancy tax of up to six percent (6%) of the gross  
17 receipts derived from the rental of an accommodation within the county that is subject to sales  
18 tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local  
19 sales tax.

20 **SECTION 16.1.(b)** Administration. – A tax levied under this section shall be levied,  
21 administered, collected, and repealed as provided in G.S. 153A-155. The penalties provided in  
22 G.S. 153A-155 apply to a tax levied under this section.

23 **SECTION 16.1.(c)** Distribution and Use of Tax Revenue. – Bertie County shall, on  
24 a quarterly basis, remit the net proceeds of the occupancy tax to the Bertie County Tourism  
25 Development Authority. The Authority shall use at least two-thirds of the funds to promote travel  
26 and tourism and shall use the remainder for tourism-related expenditures in the county.

27 The following definitions apply in this subsection:

28 (1) Net proceeds. – Gross proceeds less the cost to the county of administering  
29 and collecting the tax, as determined by the finance officer, not to exceed three  
30 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross  
31 proceeds collected each year and one percent (1%) of the remaining gross  
32 receipts collected each year.

33 (2) Promote travel and tourism. – To advertise or market an area or activity,  
34 publish and distribute pamphlets and other materials, conduct market research,  
35 or engage in similar promotional activities that attract tourists or business  
36 travelers to the area. The term includes administrative expenses incurred in  
37 engaging in the listed activities.

38 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the  
39 Tourism Development Authority, are designed to increase the use of  
40 accommodations, meeting facilities, or convention facilities in the county or  
41 to attract tourists or business travelers to the county. The term includes  
42 tourism-related capital expenditures.

43 **SECTION 16.2.** Tourism Development Authority. – (a) Appointment and  
44 Membership. – When the Bertie County Board of Commissioners adopts a resolution levying a  
45 room occupancy tax under this Part, it shall also adopt a resolution creating a county Tourism  
46 Development Authority, which shall be a public authority under the Local Government Budget  
47 and Fiscal Control Act. The resolution shall provide for the membership of the Authority,  
48 including the members' terms of office, and for the filling of vacancies on the Authority. At least  
49 one-third of the members shall be individuals who are affiliated with businesses that collect tax  
50 in the county, and at least one-half of the members shall be individuals who are currently active  
51

1 in the promotion of travel and tourism in the county. The Bertie County Board of Commissioners  
2 shall designate one member of the Authority as chair and shall determine the compensation, if  
3 any, to be paid to members of the Authority.

4 The Authority shall meet at the call of the chair and shall adopt rules of procedure to  
5 govern its meetings. The Finance Officer for Bertie County shall be the ex officio finance officer  
6 of the Authority.

7 **SECTION 16.2.(b) Duties.** – The Authority shall expend the net proceeds of the tax  
8 levied under this Part for promoting travel and tourism and for tourism-related expenditures as  
9 provided in this Part.

10 **SECTION 16.2.(c) Reports.** – The Authority shall report quarterly and at the close  
11 of the fiscal year to the Bertie County Board of Commissioners on its receipts and expenditures  
12 for the preceding quarter and for the year in such detail as the Board may require.

## 13 **PART XVII. IREDELL OCCUPANCY TAX CHANGES**

14 **SECTION 17.1.** Part IV of Chapter 570 of the 1985 Session Laws, as amended by  
15 Section 21(f) of S.L. 2007-527, is repealed.

16 **SECTION 17.2.(a) Iredell County District I Created.** – Iredell County District I is  
17 created as a taxing district. Its jurisdiction consists of that part of Iredell County that is located  
18 outside of incorporated areas within the county. Iredell County District I is a body politic and  
19 corporate and has the power to carry out the provisions of this section. The Iredell County Board  
20 of Commissioners shall serve ex officio as the governing body of the district, and the officers of  
21 the board of commissioners shall serve as the officers of the governing body of the district. A  
22 simple majority of the governing body constitutes a quorum, and approval by a majority of those  
23 present is sufficient to determine any matter before the governing body, if a quorum is present.

24 **SECTION 17.2.(b) Authorization and Scope.** – The governing body of Iredell  
25 County District I may levy a room occupancy tax of up to six percent (6%) of the gross receipts  
26 derived from the rental of an accommodation within the district that is subject to sales tax  
27 imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local  
28 sales or room occupancy tax.

29 **SECTION 17.2.(c) Administration.** – A tax levied under this section shall be levied,  
30 administered, collected, and repealed as provided in G.S. 153A-155 as if Iredell County District  
31 I were a county. The penalties provided in G.S. 153A-155 apply to a tax levied under this section.

32 **SECTION 17.2.(d) Distribution and Use of Tax Revenue.** – Iredell County District  
33 I shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Iredell County  
34 District I Tourism Development Authority. The Iredell County District I Tourism Development  
35 Authority shall use at least two-thirds of the proceeds to promote travel and tourism and shall use  
36 the remainder for tourism-related expenditures in the district. In accordance with the North  
37 Carolina Constitution and the United States Constitution, the tax proceeds may be used only for  
38 the direct benefit of the jurisdiction of Iredell County District I.

39 The following definitions apply in this subsection:

- 40 (1) Net proceeds. – Gross proceeds less the cost to the county of administering  
41 and collecting the tax, as determined by the finance officer, not to exceed three  
42 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross  
43 proceeds collected each year and one percent (1%) of the remaining gross  
44 receipts collected each year.
- 45 (2) Promote travel and tourism. – To advertise or market an area or activity,  
46 publish and distribute pamphlets and other materials, conduct market research,  
47 or engage in similar promotional activities that attract tourists or business  
48 travelers to the area. The term includes administrative expenses incurred in  
49 engaging in the listed activities.  
50

- 1 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the  
2 Tourism Development Authority, are designed to increase the use of lodging  
3 facilities, meeting facilities, or convention facilities in the county or to attract  
4 tourists or business travelers to the district. The term includes tourism-related  
5 capital expenditures.

6 **SECTION 17.3.** Iredell County District I Tourism Development Authority. – (a)  
7 Appointment and Membership. – When the governing body of Iredell County District I adopts a  
8 resolution levying a room occupancy tax under this Part, it shall also adopt a resolution creating  
9 the Iredell County District I Tourism Development Authority, which shall be a public authority  
10 under the Local Government Budget and Fiscal Control Act. The resolution shall provide for the  
11 membership of the Authority, including the members' terms of office, and for the filling of  
12 vacancies on the Authority. At least one-third of the members must be individuals who are  
13 affiliated with businesses that collect the tax in Iredell County, and at least one-half of the  
14 members must be individuals who are currently active in the promotion of travel and tourism in  
15 Iredell County. The governing body shall designate one member of the Authority as chair and  
16 shall determine the compensation, if any, to be paid to members of the Authority.

17 The Authority shall meet at the call of the chair and shall adopt rules of procedure to  
18 govern its meetings. The Finance Officer for Iredell County shall be the ex officio finance officer  
19 of the Authority.

20 **SECTION 17.3.(b)** Duties. – The Authority shall expend the net proceeds of the tax  
21 levied under this Part for the purposes provided in this Part. The Authority shall promote travel  
22 and tourism in the district and make tourism-related expenditures in the district.

23 **SECTION 17.3.(c)** Reports. – The Authority shall report quarterly and at the close  
24 of the fiscal year to the Iredell County Board of Commissioners on its receipts and expenditures  
25 for the preceding quarter and for the year in such detail as the board may require.

26 **SECTION 17.4.** The governing body of Iredell County District I and the Iredell  
27 County Board of Commissioners shall adopt any resolutions or modify any adopted resolutions,  
28 as needed, to carry out the provisions of this Part.

29 **SECTION 17.5.** This Part does not affect the rights or liabilities of the State, a  
30 taxpayer, or another person arising under an act repealed by this Part before the effective date of  
31 its amendment, nor does it affect the right to any refund or credit of a tax that accrued under the  
32 repealed act before the effective date of its repeal.

33 **SECTION 17.6.** Section 17.1 of this Part becomes effective when the governing  
34 body of Iredell County District I adopts a resolution levying a room occupancy tax under Section  
35 17.2 of this Part. The remainder of this Part is effective when it becomes law.

## 36 37 **PART XVIII. SWAIN COUNTY OCCUPANCY TAX**

38 **SECTION 18.1.** Chapter 923 of the 1985 Session Laws, as amended by Section 1 of  
39 S.L. 2007-23, reads as rewritten:

40 "Section 1. Occupancy Tax. (a) Authorization and Scope. – The Swain County Board of  
41 Commissioners may levy a room occupancy tax of up to three percent (3%) of the gross receipts  
42 derived from the rental of ~~any room, lodging, or accommodation furnished by a hotel, motel, inn,~~  
43 ~~tourist camp, or similar place~~ an accommodation within the county that is subject to sales tax  
44 imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local  
45 sales tax. ~~This tax does not apply to accommodations furnished by nonprofit charitable,~~  
46 ~~educational, or religious organizations when furnished in furtherance of their nonprofit purpose.~~

47 (a1) Authorization of Additional Tax. – In addition to the tax authorized by subsection (a)  
48 of this section, the Swain County Board of Commissioners may levy an additional room  
49 occupancy tax of up to one percent (1%) of the gross receipts derived from the rental of  
50 accommodations taxable under subsection (a) of this section. The levy, collection,  
51 administration, and repeal of the tax authorized by this subsection shall be in accordance with

1 the provisions of this section. Swain County may not levy a tax under this subsection unless it  
2 also levies the ~~maximum~~ tax authorized under subsection (a) of this section.

3 (a2) Authorization of Second Additional Tax. – In addition to the tax authorized by  
4 subsections (a) and (a1) of this section, the Swain County Board of Commissioners may levy an  
5 additional room occupancy tax of up to two percent (2%) of the gross receipts derived from the  
6 rental of accommodations taxable under subsection (a) of this section. The levy, collection,  
7 administration, and repeal of the tax authorized by this subsection shall be in accordance with  
8 the provisions of this section. Swain County may not levy a tax under this subsection unless it  
9 also levies the tax authorized under subsections (a) and (a1) of this section.

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

13 (e) Distribution and Use of Tax Revenue. – Swain County shall, on a quarterly basis,  
14 remit the net proceeds of the occupancy tax to the Swain Tourism Development Authority. The  
15 Authority shall use at least two-thirds of the funds remitted to it under this subsection to promote  
16 travel and tourism ~~in Swain County~~ and shall use the remainder for tourism-related  
17 ~~expenditures.~~ expenditures in the county.

18 The following definitions apply in this subsection:

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

35 "**Sec. 2.** Tourism Development Authority. – (a) Appointment and Membership. – When the  
36 ~~board of commissioners Swain County Board of Commissioners~~ adopts a resolution levying a  
37 room occupancy tax under this act, it shall also adopt a resolution creating a county Tourism  
38 Development Authority, which shall be a public authority under the Local Government Budget  
39 and Fiscal Control Act. The resolution shall provide for the membership of the Authority,  
40 including the members' terms of office, and for the filling of vacancies on the Authority. At least  
41 one-third of the members shall be individuals who are affiliated with businesses that collect the  
42 tax in the county, and at least one-half of the members shall be individuals who are currently  
43 active in the promotion of travel and tourism in the county. ~~The board of commissioners Swain~~  
44 County Board of Commissioners shall designate one member of the Authority as chair and shall  
45 determine the compensation, if any, to be paid to members of the Authority.

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

49 (b) Duties. – The Authority shall expend the net proceeds of the tax levied under this act  
50 ~~for the purposes provided in Section 1 of this act. The Authority shall promote travel, tourism,~~  
51 ~~and conventions in Swain County, sponsor tourist-related events and activities in the county, and~~

~~finance tourist related capital projects in the county~~ promoting travel and tourism and for tourism-related expenditures as provided in this act.

(c) Reports. – The Authority shall report quarterly and at the close of the fiscal year to the ~~board of county commissioners~~ Swain County Board of Commissioners on its receipts and expenditures for the preceding quarter and for the year in such detail as the ~~board~~ Board may require.

...."

## **PART XXII. CARTERET COUNTY OCCUPANCY TAX**

**SECTION 22.1.** Section 2(i) of S.L. 2013-223 reads as rewritten:

"**SECTION 2.(i)** Use and Distribution of Tax Revenue. – The net proceeds of the occupancy taxes levied under Section 2 of this act are distributed as follows:

- (1) Travel and tourism promotion. – Carteret County must, on a quarterly basis, remit fifty percent (50%) to the Carteret County Tourism Development Authority to be used to promote travel and tourism.
- (2) Beach nourishment. – Carteret County must use the remaining fifty percent (50%) only for beach nourishment on Bogue Banks. The county may not accumulate a balance of tax proceeds for beach nourishment in excess of ~~thirty~~ sixty million dollars (\$30,000,000)-(\$60,000,000)."

## **PART XXIII. DAVIDSON COUNTY OCCUPANCY TAX**

**SECTION 23.1.(a)** Davidson County District D Created. – Davidson County District D is created as a taxing district. Its jurisdiction consists of that part of Davidson County that is located outside of incorporated areas within the county. Davidson County District D is a body politic and corporate and has the power to carry out the provisions of this Part. The Davidson County Board of Commissioners shall serve ex officio as the governing body of the district, and the officers of the county shall serve as the officers of the governing body of the district. A simple majority of the governing body constitutes a quorum, and approval by a majority of those present is sufficient to determine any matter before the governing body, if a quorum is present.

**SECTION 23.1.(b)** Authorization and Scope. – The governing body of Davidson County District D may levy a room occupancy tax of up to six percent (6%) of the gross receipts derived from the rental of an accommodation within the district 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 or room occupancy tax.

**SECTION 23.1.(c)** Administration. – A tax levied under this section shall be levied, administered, collected, and repealed as provided in G.S. 153A-155 as if Davidson County District D were a county. The penalties provided in G.S. 153A-155 apply to a tax levied under this section.

**SECTION 23.1.(d)** Distribution and Use of Tax Revenue. – Davidson County District D shall, on a quarterly basis, distribute the net proceeds of the occupancy tax to the Davidson County District D Tourism Development Authority created pursuant to this Part. The Authority shall use at least two-thirds of the proceeds distributed to it to promote travel and tourism in the district and shall use the remainder for tourism-related expenditures in the district. In accordance with the North Carolina Constitution and the United States Constitution, the tax proceeds may be used only for the direct benefit of the jurisdiction of Davidson County District D.

The following definitions apply in this subsection:

- (1) Net proceeds. – Gross proceeds less the cost to the district 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



1 proceeds collected each year and one percent (1%) of the remaining gross  
2 receipts collected each year.

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

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

13 **SECTION 23.2.** Davidson County District D Tourism Development Authority. – (a)  
14 Appointment and Membership. – When the governing body of Davidson County District D  
15 adopts a resolution levying a room occupancy tax under this Part, it shall also adopt a resolution  
16 creating the Davidson County District D Tourism Development Authority, which shall be a  
17 public authority under the Local Government Budget and Fiscal Control Act. The resolution shall  
18 provide for the membership of the Authority, including the members' terms of office, and for the  
19 filling of vacancies on the Authority. At least one-third of the members must be individuals who  
20 are affiliated with businesses that collect the tax in the district, and at least one-half of the  
21 members must be individuals who are currently active in the promotion of travel and tourism in  
22 the district. The governing body of Davidson County District D shall designate one member of  
23 the Authority as chair and shall determine the compensation, if any, to be paid to members of the  
24 Authority.

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

28 **SECTION 23.2.(b)** Duties. – The Authority shall expend the net proceeds of the tax  
29 levied under this Part for promoting travel and tourism in the district and for tourism-related  
30 expenditures in the district as provided in this Part.

31 **SECTION 23.2.(c)** Reports. – The Authority shall report quarterly and at the close  
32 of the fiscal year to the Davidson County Board of Commissioners on its receipts and  
33 expenditures for the preceding quarter and for the year in such detail as the board may require.  
34

## 35 **PART XXV. MECKLENBURG MEALS TAX SUNSET EXTENSION**

36 **SECTION 25.1.** Section 9.1 of Chapter 908 of the 1983 Session Laws, as amended  
37 by Chapters 821 and 922 of the 1989 Session Laws and S.L. 2001-402, reads as rewritten:

38 "Sec. 9.1. Sunset of Certain Provisions. – ~~Effective on the latest of the three dates listed~~  
39 ~~below~~, Section 7 of this act and Section 9(a)(4)b. of this act are ~~repealed~~:repealed effective July  
40 1, 2060.

41 (1) ~~July 1 following the date of final satisfaction, by payment or other irrevocable~~  
42 ~~defeasance, of any debt instruments or obligations that meet both of the~~  
43 ~~following conditions:~~

44 a. ~~They were issued by the City of Charlotte or by a related special~~  
45 ~~purpose entity in connection with the financing of the Charlotte~~  
46 ~~Convention Center or of any hotel or parking facility constructed or~~  
47 ~~participated in by the city to support or serve the convention center.~~

48 b. ~~They were issued and outstanding on or before July 1, 2001.~~

49 (2) ~~July 1 following the date of final satisfaction, by payment or other irrevocable~~  
50 ~~defeasance, of any debt instruments or obligations that were issued by the City~~  
51 ~~of Charlotte or by a related special purpose entity in connection with a~~

1 construction contract for expansion of the existing convention center that  
2 meets both of the following conditions:

3 a. ~~The expansion contracted for will encompass at least 100,000 square~~  
4 ~~feet of additional exhibit and meeting space and related support~~  
5 ~~facilities.~~

6 b. ~~The design contract for the expansion contracted for was awarded by~~  
7 ~~January 1, 2011.~~

8 (3) ~~July 1, 2031."~~  
9

## 10 PART XXVI. APPLICABILITY AND EFFECTIVE DATE

### 11 SECTION 26.1. G.S. 153A-155(g) reads as rewritten:

12 "(g) Applicability. – Subsection (c) of this section applies to all counties and county  
13 districts that levy an occupancy tax. To the extent subsection (c) conflicts with any provision of  
14 a local act, subsection (c) supersedes that provision. The remainder of this section applies only  
15 to Alleghany, Anson, Bertie, Brunswick, Buncombe, Burke, Cabarrus, Camden, Carteret,  
16 Caswell, Chatham, Cherokee, Chowan, Clay, Craven, Cumberland, Currituck, Dare, Davie,  
17 Duplin, Durham, Edgecombe, Forsyth, Franklin, Graham, Granville, Halifax, Haywood,  
18 Henderson, Jackson, Madison, Martin, McDowell, Mitchell, Montgomery, Moore, Nash, New  
19 Hanover, Northampton, Pasquotank, Pender, Perquimans, Person, Randolph, Richmond,  
20 Rockingham, Rowan, Rutherford, Sampson, Scotland, Stanly, Stokes, Swain, Transylvania,  
21 Tyrrell, Union, Vance, Warren, Washington, Wayne, ~~and Wilson~~ Wilson, and Yancey Counties,  
22 to Avery County District A, Graham County District G, Harnett County District H, Iredell  
23 County District I, New Hanover County District U, Surry County District S, Watauga County  
24 District U, Wilkes County District K, ~~W~~, Yadkin County District Y, and the Township of  
25 Averagesboro in Harnett County and the Ocracoke Township Taxing District."

### 26 SECTION 26.2. G.S. 160A-215(g) reads as rewritten:

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

42 SECTION 26.3. Except as otherwise provided, this act is effective when it becomes  
43 law.