

**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**

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20 administered, collected, and repealed as provided in G.S. 153A-155 as if Avery County District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
34 proceeds collected each year and one percent (1%) of the remaining gross
35 receipts collected each year.



- 1 (2) Promote travel and tourism. – To advertise or market an area or activity,
- 2 publish and distribute pamphlets and other materials, conduct market research,
- 3 or engage in similar promotional activities that attract tourists or business
- 4 travelers to the area. The term includes administrative expenses incurred in
- 5 engaging in the listed activities.
- 6 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the
- 7 Tourism Development Authority, are designed to increase the use of
- 8 accommodations, meeting facilities, or convention facilities in a district or to
- 9 attract tourists or business travelers to the district. The term includes
- 10 tourism-related capital expenditures.

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

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

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

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

31
 32 **PART II. TOWN OF INDIAN TRAIL OCCUPANCY TAX**

33 **SECTION 2.1.** Occupancy tax. – (a) Authorization and Scope. – If the majority of
 34 those voting in a referendum held pursuant to subsection (b) of this section vote for the levy of
 35 the tax, the Town Council of the Town of Indian Trail may levy a room occupancy tax of up to
 36 five percent (5%) of the gross receipts derived from the rental of an accommodation within the
 37 town that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in
 38 addition to any State or local sales tax.

39 **SECTION 2.1.(b)** Referendum. – Notwithstanding G.S. 160A-215(b), a room
 40 occupancy tax authorized under subsection (a) of this section may be levied only if all of the
 41 following conditions are met:

- 42 (1) The Town Council of the Town of Indian Trail directs the county board of
- 43 elections to conduct an advisory referendum on the question of whether to
- 44 levy the room occupancy tax.
- 45 (2) The election is held in accordance with the procedures of G.S. 163-287, and
- 46 the form of the question to be presented on the ballot concerning the room
- 47 occupancy tax is as follows:

48 " FOR AGAINST

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

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

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

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

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

23 The following definitions apply in this section:

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

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

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

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

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

10 11 **PART III. TOWN OF STALLINGS OCCUPANCY TAX**

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

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

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

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

35 " [] FOR [] AGAINST

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

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

47 **SECTION 3.2.(c) Rate Increase.** – The governing body of Stallings District S may,
48 by resolution and after not less than 10 days' public notice and a public hearing, increase the rate
49 of the tax to a rate not in excess of that approved in an election held pursuant to subsection (b) of
50 this section. A rate increase shall become effective on the date specified in the resolution levying

1 the increase, which must be the first day of a calendar month and may not be earlier than the first
2 day of the second month after the date the resolution is adopted.

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

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

13 The following definitions apply in this section:

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

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

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

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

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

49 **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 **PART IX. WILKES COUNTY OCCUPANCY TAX**

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

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

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

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

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

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

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

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

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

15 **PART XVI. BERTIE COUNTY OCCUPANCY TAX**

16 **SECTION 16.1.** Occupancy tax. – (a) Authorization and Scope. – The Bertie 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 16.1.(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 16.1.(c)** Distribution and Use of Tax Revenue. – Bertie County shall, on
25 a quarterly basis, remit the net proceeds of the occupancy tax to the Bertie 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 16.2.** Tourism Development Authority. – (a) Appointment and
45 Membership. – When the Bertie 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 tax
51 in the county, and at least one-half of the members shall be individuals who are currently active

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 (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.—Revenue Under Swain County Tourism
7 Development Authority. – Until the establishment of a Joint County-City Tourism Development
8 Authority under subsection (e1) of this section, Swain County shall, on a quarterly basis, remit
9 the net proceeds of the occupancy tax to the Swain Tourism Development Authority. The
10 Authority shall use at least two-thirds of the funds remitted to it under this subsection to promote
11 travel and tourism in Swain County in the county and shall use the remainder for tourism-related
12 expenditures.~~expenditures in the county.~~

13 (e1) Distribution and Use of Tax Under Joint County-City Tourism Development
14 Authority. – Once the board of commissioners establishes a Joint County-City Tourism
15 Development Authority as provided in Section 2 of this act, Swain County shall, on a quarterly
16 basis, remit the net proceeds of the occupancy tax to the Swain County-Bryson City Tourism
17 Development Authority. The Swain County-Bryson City Tourism Development Authority,
18 hereinafter the Authority, shall segregate the funds received under this subsection into two
19 separate accounts based on the jurisdiction from which the proceeds were collected. Net proceeds
20 collected under this act from accommodations located in Bryson City shall be credited to a
21 Bryson City Proceeds Account, and net proceeds collected under this act from accommodations
22 located in Swain County shall be credited to a Swain County Proceeds Account. The Authority
23 shall use at least two-thirds of the funds in the Bryson City Proceeds Account to promote travel
24 and tourism in Bryson City and shall use the remainder for tourism-related expenditures in
25 Bryson City. The Authority shall use at least two-thirds of the funds in the Swain County
26 Proceeds Account to promote travel and tourism in Swain County and shall use the remainder
27 for tourism-related expenditures in Swain County. Any projects that are jointly undertaken by
28 Bryson City and Swain County shall require the unanimous vote of the Authority.

29 The Authority may use funds remitted to it under this subsection and held in either or both of
30 the Accounts to establish a grant program to provide financial assistance for tourism projects that
31 will promote travel and tourism in the city or county or that will increase the use of
32 accommodations, meeting facilities, or convention facilities in the county or city.

33 The following definitions apply in this subsection:

- 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 proceeds 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~~ area. The term includes administrative expenses
43 incurred in engaging in the listed activities. For purposes of this subdivision,
44 the term "administrative expenses" means the cost of telephone service,
45 utilities, dues, office maintenance, office equipment, office supplies, printing,
46 postage, website establishment and maintenance, accounting services, and
47 hiring part-time help for setup or cleanup at events. It does not include salaries,
48 meals, or cellular phones or cellular phone service for members of the
49 Authority.
- 50 (3) Tourism-related expenditures. – Expenditures that, in the judgment of Swain
51 County Tourism Development Authority, or the Swain County-Bryson City

1 Tourism Development Authority, once established, are designed to increase
2 the use of lodging facilities, meeting facilities, or convention facilities
3 accommodations, meeting facilities, or convention facilities in the county or
4 city or to attract tourists or business travelers to the county, county or city.

5 The term includes tourism-related capital expenditures.

6 "Sec. 2. Joint County-City Tourism Development Authority. – (a) Appointment and
7 Membership. – When the board of commissioners adopts a resolution levying a room occupancy
8 tax under this act, it shall also adopt a resolution creating a county Tourism Development
9 Authority, Within 60 days after the effective date of this act, the Swain County Board of
10 Commissioners and the Bryson City Board of Aldermen shall adopt a joint resolution converting
11 the Swain County Tourism Development Authority to the Swain County-Bryson City Tourism
12 Development Authority, which shall be a public authority under the Local Government Budget
13 and Fiscal Control Act. The county shall, upon its creation, transfer to the Swain County-Bryson
14 City Tourism Development Authority all of the assets of the Swain County Tourism
15 Development Authority. The resolution shall provide for the membership of the Authority,
16 including the members' terms of office, and for the filling of vacancies on the Authority. The
17 Swain County-Bryson City Tourism Development Authority shall consist of the following seven
18 members, all of whom must be residents of Swain County while serving on the Authority:

- 19 (1) Two members appointed by the Swain County Board of Commissioners, one
20 of whom must be an individual affiliated with a business that collects taxes in
21 the county and another who must be an individual currently active in the
22 promotion of travel and tourism in the county.
- 23 (2) Two members appointed by the Bryson City Board of Aldermen, one of whom
24 must be an individual affiliated with a business that collects taxes in Bryson
25 City and another who must be an individual currently active in the promotion
26 of travel and tourism in the county.
- 27 (3) The director of the Swain County Chamber of Commerce shall be a member
28 of the Authority.
- 29 (4) One nonvoting advisory member appointed by the Swain County Board of
30 Commissioners.
- 31 (5) One nonvoting advisory member appointed by the Bryson City Board of
32 Aldermen.

33 At least one third of the members shall be individuals who are affiliated with businesses that
34 collect the tax in the county, and at least one half of the members shall be individuals who are
35 currently active in the promotion of travel and tourism in the county. The board of commissioners
36 shall designate one member of the Authority as chair and shall determine the compensation, if
37 any, to be paid to members of the Authority. The chair of the Authority shall be elected by the
38 members of the Authority. Members of the Authority shall not receive any compensation for
39 servng on the Authority.

40 The Authority shall meet at the call of the chair and shall adopt rules of procedure to govern
41 its meetings. The finance officer of Swain County shall be the ex officio finance officer of the
42 Authority. The finance officer of Bryson City shall serve as the deputy finance officer of the
43 Authority and shall have responsibility for the Bryson City Proceeds Account.

44 (b) Duties. – The Authority shall expend the net proceeds of the tax levied under this act
45 for the purposes provided in Section 1 of this act. The Authority shall promote travel, tourism,
46 and conventions in Swain County, sponsor tourist-related events and activities in the county, and
47 finance tourist related capital projects in the county, promoting travel and tourism and for
48 tourism-related expenditures as provided in this act.

49 (c) Reports.—Reporting and Website Requirements. – The Authority shall do all of the
50 following:

- (1) ~~report~~ Report quarterly and at the close of the fiscal year to the ~~board of county commissioners~~ Swain County Board of Commissioners and to the Bryson City Board of Aldermen on its receipts and expenditures for the preceding quarter and for the year in such detail as the ~~board~~ boards may require.
- (2) Establish a website containing the following information:
 - a. The quarterly reports required to be submitted under subdivision (1) of this subsection.
 - b. The names, email addresses, and telephone numbers of the members of the Authority.
 - c. The Authority's policy for providing grants of occupancy tax funds for use by applicants in accordance with Section 1(e) of this act, that being to promote travel and tourism and for tourism-related expenditures, as those terms are defined in this act.

...."

SECTION 18.2. The Office of the State Auditor shall conduct an audit of the Swain County Tourism Development Authority for fiscal years 2020-2021, 2021-2022, and 2022-2023. The audit shall address the following: (1) whether the Authority spends occupancy tax funds remitted to it in accordance with its enabling legislation and the county procurement policy, (2) whether the Auditor identifies any concerns, discrepancies, or redundancies in the expenditure of funds, specifically with regard to any unnecessary, excessive, or inappropriate administrative expenses, and (3) any other such issues as deemed necessary or desirable by the State Auditor. The Office of the State Auditor shall report its findings to the House Finance Committee and the Fiscal Research Division of the General Assembly on or before the convening of the Regular Session of the 2025 General Assembly.

SECTION 18.3. This Part is effective when it becomes law. Within 60 days of this Part becoming law, the Swain County Board of Commissioners shall adopt a resolution to convert the Swain County Tourism Development Authority to the Swain County-Bryson City Tourism Development Authority in accordance with Section 2 of Chapter 923 of the 1985 Session Laws, as amended by Section 1 of S.L. 2007-23 and Section 18.1 of this Part.

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.

1 **SECTION 23.1.(b)** Authorization and Scope. – The governing body of Davidson
2 County District D may levy a room occupancy tax of up to six percent (6%) of the gross receipts
3 derived from the rental of an accommodation within the district that is subject to sales tax
4 imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local
5 sales or room occupancy tax.

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

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

18 The following definitions apply in this subsection:

- 19 (1) Net proceeds. – Gross proceeds less the cost to the district 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 receipts 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 term includes administrative expenses incurred in
28 engaging in the listed activities.
- 29 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the
30 Tourism Development Authority, are designed to increase the use of
31 accommodations, meeting facilities, or convention facilities in a district or to
32 attract tourists or business travelers to the district. The term includes
33 tourism-related capital expenditures.

34 **SECTION 23.2.** Davidson County District D Tourism Development Authority. – (a)
35 Appointment and Membership. – When the governing body of Davidson County District D
36 adopts a resolution levying a room occupancy tax under this Part, it shall also adopt a resolution
37 creating the Davidson County District D Tourism Development Authority, which shall be a
38 public authority under the Local Government Budget and Fiscal Control Act. The resolution shall
39 provide for the membership of the Authority, including the members' terms of office, and for the
40 filling of vacancies on the Authority. At least one-third of the members must be individuals who
41 are affiliated with businesses that collect the tax in the district, and at least one-half of the
42 members must be individuals who are currently active in the promotion of travel and tourism in
43 the district. The governing body of Davidson County District D shall designate one member of
44 the Authority as chair and shall determine the compensation, if any, to be paid to members of the
45 Authority.

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

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

1 **SECTION 23.2.(c)** Reports. – The Authority shall report quarterly and at the close
2 of the fiscal year to the Davidson County Board of Commissioners on its receipts and
3 expenditures for the preceding quarter and for the year in such detail as the board may require.
4

5 **PART XXIV. DAVIE COUNTY OCCUPANCY TAX**

6 **SECTION 24.1.(a)** Davie County District E Created. – Davie County District E is
7 created as a taxing district. Its jurisdiction consists of that part of Davie County that is located
8 outside of the incorporated areas of Mocksville, Bermuda Run, and Cooleemee. Davie County
9 District E is a body politic and corporate and has the power to carry out the provisions of this
10 Part. The Davie County Board of Commissioners shall serve ex officio as the governing body of
11 the district, and the officers of the county shall serve as the officers of the governing body of the
12 district. A simple majority of the governing body constitutes a quorum, and approval by a
13 majority of those present is sufficient to determine any matter before the governing body, if a
14 quorum is present.

15 **SECTION 24.1.(b)** Authorization and Scope. – The governing body of Davie
16 County District E may levy a room occupancy tax of up to three percent (3%) of the gross receipts
17 derived from the rental of an accommodation within the district that is subject to sales tax
18 imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local
19 sales or room occupancy tax.

20 **SECTION 24.1.(c)** Administration. – A tax levied under this section shall be levied,
21 administered, collected, and repealed as provided in G.S. 153A-155 as if Davie County District
22 E were a county. The penalties provided in G.S. 153A-155 apply to a tax levied under this
23 section.

24 **SECTION 24.1.(d)** Distribution and Use of Tax Revenue. – Davie County District
25 E shall, on a quarterly basis, distribute the net proceeds of the occupancy tax to the Davie County
26 District E Tourism Development Authority created pursuant to this Part. The Authority shall use
27 at least two-thirds of the proceeds distributed to it to promote travel and tourism in the district
28 and shall use the remainder for tourism-related expenditures in the district. In accordance with
29 the North Carolina Constitution and the United States Constitution, the tax proceeds may be used
30 only for the direct benefit of the jurisdiction of Davie County District E.

31 The following definitions apply in this subsection:

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

47 **SECTION 24.2.** Davie County District E Tourism Development Authority. – (a)
48 Appointment and Membership. – When the governing body of Davie County District E adopts a
49 resolution levying a room occupancy tax under this Part, it shall also adopt a resolution creating
50 the Davie County District E Tourism Development Authority, which shall be a public authority
51 under the Local Government Budget and Fiscal Control Act. The resolution shall provide for the

1 membership of the Authority, including the members' terms of office, and for the filling of
2 vacancies on the Authority. At least one-third of the members must be individuals who are
3 affiliated with businesses that collect the tax in the district, and at least one-half of the members
4 must be individuals who are currently active in the promotion of travel and tourism in the district.
5 The governing body of the Davie County District E shall designate one member of the Authority
6 as chair and shall determine the compensation, if any, to be paid to members of the Authority.

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

10 **SECTION 24.2.(b) Duties.** – The Authority shall expend the net proceeds of the tax
11 levied under this Part for promoting travel and tourism in the district and for tourism-related
12 expenditures in the district as provided in this Part.

13 **SECTION 24.2.(c) Reports.** – The Authority shall report quarterly and at the close
14 of the fiscal year to the Davie County Board of Commissioners on its receipts and expenditures
15 for the preceding quarter and for the year in such detail as the board may require.

16 **PART XXV. MECKLENBURG MEALS TAX SUNSET EXTENSION**

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

19 "Sec. 9.1. Sunset of Certain Provisions. – ~~Effective on the latest of the three dates listed~~
20 ~~below,~~ Section 7 of this act and Section 9(a)(4)b. of this act are ~~repealed~~; repealed effective July
21 1, 2060.

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

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

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

30 ~~(2) July 1 following the date of final satisfaction, by payment or other irrevocable~~
31 ~~defeasance, of any debt instruments or obligations that were issued by the City~~
32 ~~of Charlotte or by a related special purpose entity in connection with a~~
33 ~~construction contract for expansion of the existing convention center that~~
34 ~~meets both of the following conditions:~~

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

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

40 ~~(3) July 1, 2031."~~

41 **PART XXVI. APPLICABILITY AND EFFECTIVE DATE**

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

43 "(g) Applicability. – Subsection (c) of this section applies to all counties and county
44 districts that levy an occupancy tax. To the extent subsection (c) conflicts with any provision of
45 a local act, subsection (c) supersedes that provision. The remainder of this section applies only
46 to Alleghany, Anson, Bertie, Brunswick, Buncombe, Burke, Cabarrus, Camden, Carteret,
47 Caswell, Chatham, Cherokee, Chowan, Clay, Craven, Cumberland, Currituck, Dare, Davie,
48 Duplin, Durham, Edgecombe, Forsyth, Franklin, Graham, Granville, Halifax, Haywood,
49 Henderson, Jackson, Madison, Martin, McDowell, Mitchell, Montgomery, Moore, Nash, New
50
51

1 Hanover, Northampton, Pasquotank, Pender, Perquimans, Person, Randolph, Richmond,
2 Rockingham, Rowan, Rutherford, Sampson, Scotland, Stanly, Stokes, Swain, Transylvania,
3 Tyrrell, Union, Vance, Warren, Washington, Wayne, ~~and Wilson~~ Wilson, and Yancey Counties,
4 to Avery County District A, Graham County District G, Harnett County District H, Iredell
5 County District I, New Hanover County District U, Surry County District S, Watauga County
6 District U, Wilkes County District K, ~~W~~, Yadkin County District Y, and the Township of
7 Averasboro in Harnett County and the Ocracoke Township Taxing District."

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

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

24 **SECTION 26.3.** Except as otherwise provided, this act is effective when it becomes
25 law.