

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1991

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SENATE BILL 500

Short Title: Chapel Hill Admissions Tax.

(Local)

Sponsors: Senators Lee; and Walker.

Referred to: Local Government and Regional Affairs.

April 8, 1991

A BILL TO BE ENTITLED

**AN ACT TO AUTHORIZE THE TOWN OF CHAPEL HILL TO ADOPT AN
ADMISSIONS TAX ON EVENTS AT LARGE FACILITIES IN THE TOWN OF
CHAPEL HILL.**

The General Assembly of North Carolina enacts:

Section 1. Admissions tax. (a) Authorization and scope. Notwithstanding the provisions of G.S. 105-37.1(b), the Chapel Hill Town Council may by ordinance levy an admissions tax on every admission ticket purchased for admission to an entertainment, amusement, or athletic or commercial event for which an admission is charged and which is presented in the town in a facility having a seating capacity greater than 15,000. The tax does not apply, however, to athletic events sponsored by the North Carolina High School Athletic Association that involve participants at or below the high school level. The tax shall be at a rate of not more than one dollar (\$1.00) per admission ticket purchased. This tax is in addition to any other State or local tax.

(b) Collection. Every person, firm, corporation, or organization selling admission tickets taxable under this section shall collect the tax. This tax shall be collected at the same time as the charge for furnishing a taxable admission ticket and shall be paid by the purchaser to the seller of the admission ticket as trustee for and on account of the town. The tax shall be stated and charged separately from the sales price. The tax shall be added to the admissions price and shall be passed on to the purchaser instead of being borne by the seller.

(c) Administration. The town shall administer a tax levied under this section. A tax levied and collected under this section is due and payable to the town revenue

1 collector on or before the 15th day of the month following the month in which the tax
2 accrues. Every person, firm, or corporation liable for the tax shall, on or before the
3 fifteenth day of each month, prepare and render a return on a form prescribed by the
4 town. The return shall state the total number of admissions subject to the tax that were
5 sold in the preceding month. A return filed with the town tax collector under this
6 section is not a public record as defined in G.S. 132-1 and may not be disclosed except
7 as required by law. The town may by ordinance establish additional procedures for
8 collection, reporting, remittal and use of a tax levied under this section.

9 (d) Penalties. A person, firm, or corporation who fails or refuses to file the return
10 required by this section shall pay a penalty of ten dollars (\$10.00) for each day's
11 omission. In case of failure or refusal to file the return or pay the tax for a period of 30
12 days after the time required for filing the return or for paying the tax, there shall be an
13 additional tax, as a penalty, of five percent (5%) of the tax due in addition to any other
14 penalty, with an additional tax of five percent (5%) for each additional month or
15 fraction thereof until the tax is paid. The town council may, for good cause shown,
16 compromise or forgive the civil penalties imposed by this subsection.

17 Any person who willfully attempts in any manner to evade a tax imposed
18 under this section or who willfully fails to pay the tax or make and file a return shall, in
19 addition to all other penalties provided by law, be guilty of a misdemeanor.

20 (e) Effective date of levy. A tax levied under this section shall become
21 effective on the date specified in the ordinance levying the tax. That date must be the
22 first day of a calendar month, however, and may not be earlier than the first day of the
23 second month after the date the ordinance is adopted.

24 (f) Repeal. A tax levied under this section may be repealed by an ordinance
25 adopted by the Chapel Hill Town Council. Repeal of a tax levied under this section
26 shall become effective on the first day of a month and may not become effective until
27 the end of the fiscal year in which the repeal ordinance was adopted. Repeal of a tax
28 levied under this section does not affect a liability for a tax that was attached before the
29 effective date of the repeal, nor does it affect a right to a refund of a tax that accrued
30 before the effective date of the repeal.

31 Sec. 2. This act is effective upon ratification.