

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1993

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SENATE BILL 48

Short Title: Local Financial Security.

(Public)

Sponsors: Senators Perdue; Lee, Forrester, Cochran, Daniel, Jordan, Gunter, Gulley, Hoyle, Seymour, Folger, Smith, Edwards, Hartsell, Allran, Plexico, Tally, Speed, and Warren.

Referred to: Local Government and Regional Affairs.

February 3, 1993

A BILL TO BE ENTITLED

AN ACT TO GIVE LOCAL GOVERNMENT UNITS MORE FINANCIAL SECURITY AND RESTORE GROWTH TO STATE-COLLECTED LOCAL REVENUES AND TAX-SHARING FUNDS.

The General Assembly of North Carolina enacts:

Section 1. Effective July 1, 1993, and expiring on July 1, 1994, G.S. 105-213 reads as rewritten:

"§ 105-213. ~~Appropriation to counties and municipalities; use of appropriation.~~
Distribution of taxes collected.

(a) Amount to be Distributed. – On or before June 15, 1994, the Secretary shall distribute to counties and municipalities ~~There is annually appropriated from the General Fund to counties and municipalities one hundred three percent (103%) of the amount of revenue collected under this Article from July 1, 1993, through April 30, 1994, during the 1989-90 fiscal year, less an amount equal to the costs during the preceding fiscal year of:~~ less all of the following:

- (1) An amount equal to the costs during the preceding fiscal year of:
 - a. Refunds made during the fiscal year of taxes levied under this Article.
 - ~~(2)-~~ b. The Department of Revenue to collect and administer the taxes levied under this Article.
 - ~~(3)-~~ c. The Department of Revenue in performing the duties imposed by Article 15 of this Chapter.

- 1 (4) d. The Property Tax Commission.
2 (5) e. The Institute of Government in operating a training program in
3 property tax appraisal and assessment.
4 (6) f. The personnel and operations provided by the Department of State
5 Treasurer for the Local Government Commission.
6 (2) Thirteen million four hundred thousand dollars (\$13,400,000).

7 ~~The appropriation shall be distributed by August 30 of each year. The appropriation~~
8 ~~shall be included in the Current Operations Appropriations Act.~~

9 **(b) Allocation of Distribution.** ~~– The appropriation amount of revenue to be~~
10 ~~distributed under subsection (a) shall be allocated among the counties in proportion to~~
11 ~~the amount of taxes collected under this Article in each county during the preceding~~
12 ~~fiscal year. The Secretary of Revenue shall keep a separate record by counties of the~~
13 ~~taxes collected under this Article. The Secretary shall allocate the amount appropriated~~
14 ~~of revenue to be distributed under this section-subsection (a) to the counties according to~~
15 ~~the county in which the taxes were collected. The amounts so allocated to each county~~
16 ~~shall in turn be allocated between the county and the municipalities in the county in~~
17 ~~proportion to the total amount of ad valorem taxes levied by each during the fiscal year~~
18 ~~preceding the distribution. In dividing these amounts between each county and its~~
19 ~~municipalities, the Secretary shall treat taxes levied by a merged school administrative~~
20 ~~unit described in G.S. 115C-513 in a part of the unit located in a county as taxes levied~~
21 ~~by the county in which that part is located. After making these allocations, the~~
22 ~~Secretary of Revenue shall certify to the State Controller and to the State Treasurer the~~
23 ~~amount to be distributed to each county and municipality in the State. The State~~
24 ~~Controller shall then issue a warrant on the State Treasurer to each county and~~
25 ~~municipality in the amount certified. The funds shall be drawn from the Local Government~~
26 ~~Tax Sharing Reserve.~~

27 For the purpose of computing the distribution of the tax under this subsection to any
28 county and the municipalities located ~~therein~~ in the county for any quarter with respect
29 to which the property valuation of a public service company is the subject of an appeal
30 ~~pursuant to the provisions of the Machinery Act, or to applicable provisions of federal law, and~~
31 ~~the Department of Revenue is restrained by operation of law or by a court of competent~~
32 ~~jurisdiction from certifying such~~ the valuation to the county and the municipalities
33 ~~therein, in the county,~~ the Department shall use the last property valuation of ~~such~~ the
34 public service company ~~which that~~ has been so certified in order to determine the ad
35 valorem tax levies applicable to such public service company in the county and the
36 ~~municipalities therein.~~ certified.

37 The chair of each board of county commissioners and the mayor of each
38 municipality shall report to the Secretary of Revenue information requested by the
39 Secretary to enable the Secretary to allocate the amount ~~appropriated by this section.~~
40 distributed by this subsection. If a county or municipality fails to make a requested
41 report within the time allowed, the Secretary may disregard the county or municipality
42 in allocating the amount ~~appropriated by this section.~~ distributed by this subsection.

43 **(c) Use of Revenue.** ~~–~~ The amount distributed to each county and municipality
44 shall be used by the county or municipality in proportion to property tax levies made by

1 it for the various funds and activities of the county or municipality, unless the county or
 2 municipality has pledged the amount to be distributed to it under this section in payment
 3 of a loan agreement with the North Carolina Solid Waste Management Capital Projects
 4 Financing Agency. A county or municipality that has pledged amounts distributed
 5 under this section in payment of a loan agreement with the Agency may apply the
 6 amount the loan agreement requires.

7 ~~(b)~~ (d) Definition. – For purposes of this section, the term 'municipality' includes
 8 any urban service district defined by the governing board of a consolidated city-county,
 9 and the amounts due thereby shall be distributed to the government of the consolidated
 10 city-county."

11 Sec. 2. Effective July 1, 1994, G.S. 105-213 reads as rewritten:

12 "**§ 105-213. ~~Appropriation to counties and municipalities; use of appropriation.~~**
 13 **Distribution of taxes collected.**

14 (a) Amount to be Distributed. – On or before June 15 of each year, the Secretary
 15 shall distribute to counties and municipalities ~~There is annually appropriated from the~~
 16 ~~General Fund to counties and municipalities~~ the amount of revenue collected under this
 17 Article ~~during the 1989-90 fiscal year, less an amount equal to the costs during the preceding~~
 18 ~~fiscal year of:~~ during the 12 months ending the preceding April 30, less all of the
 19 following:

- 20 (1) An amount equal to the costs during the preceding fiscal year of:
 21 a. Refunds made during the fiscal year of taxes levied under this
 22 Article.
 23 ~~(2)~~ b. The Department of Revenue to collect and administer the taxes
 24 levied under this Article.
 25 ~~(3)~~ c. The Department of Revenue in performing the duties imposed by
 26 Article 15 of this Chapter.
 27 ~~(4)~~ d. The Property Tax Commission.
 28 ~~(5)~~ e. The Institute of Government in operating a training program in
 29 property tax appraisal and assessment.
 30 ~~(6)~~ f. The personnel and operations provided by the Department of State
 31 Treasurer for the Local Government Commission.
 32 (2) Thirteen million four hundred thousand dollars (\$13,400,000).

33 ~~The appropriation shall be distributed by August 30 of each year. The appropriation~~
 34 ~~shall be included in the Current Operations Appropriations Act.~~

35 (b) Allocation of Distribution. – ~~The appropriation amount of revenue to be~~
 36 distributed under subsection (a) shall be allocated among the counties in proportion to
 37 the amount of taxes collected under this Article in each county during the preceding
 38 fiscal year. The Secretary of Revenue shall keep a separate record by counties of the
 39 taxes collected under this Article. The Secretary shall allocate the amount ~~appropriated~~
 40 of revenue to be distributed under this section-subsection (a) to the counties according to
 41 the county in which the taxes were collected. The amounts so allocated to each county
 42 shall in turn be allocated between the county and the municipalities in the county in
 43 proportion to the total amount of ad valorem taxes levied by each during the fiscal year
 44 preceding the distribution. In dividing these amounts between each county and its

1 municipalities, the Secretary shall treat taxes levied by a merged school administrative
2 unit described in G.S. 115C-513 in a part of the unit located in a county as taxes levied
3 by the county in which that part is located. After making these allocations, the
4 Secretary of Revenue shall certify to the State Controller and to the State Treasurer the
5 amount to be distributed to each county and municipality in the State. The State
6 Controller shall then issue a warrant on the State Treasurer to each county and
7 municipality in the amount certified. ~~The funds shall be drawn from the Local Government~~
8 ~~Tax Sharing Reserve.~~

9 For the purpose of computing the distribution of the tax under this subsection to any
10 county and the municipalities located ~~therein~~ in the county for any quarter with respect
11 to which the property valuation of a public service company is the subject of an appeal
12 ~~pursuant to the provisions of the Machinery Act, or to applicable provisions of federal law, and~~
13 ~~the Department of Revenue is restrained by operation of law or by a court of competent~~
14 ~~jurisdiction~~ ~~from certifying such~~ the valuation to the county and the municipalities
15 ~~therein, in the county,~~ the Department shall use the last property valuation of ~~such~~ the
16 public service company ~~which~~ that has been so certified in order to determine the ad
17 ~~valorem tax levies applicable to such public service company in the county and the~~
18 ~~municipalities therein certified.~~

19 The chair of each board of county commissioners and the mayor of each
20 municipality shall report to the Secretary of Revenue information requested by the
21 Secretary to enable the Secretary to allocate the amount ~~appropriated by this section.~~
22 distributed by this subsection. If a county or municipality fails to make a requested
23 report within the time allowed, the Secretary may disregard the county or municipality
24 in allocating the amount ~~appropriated by this section.~~ distributed by this subsection.

25 (c) Use of Revenue. – The amount distributed to each county and municipality
26 shall be used by the county or municipality in proportion to property tax levies made by
27 it for the various funds and activities of the county or municipality, unless the county or
28 municipality has pledged the amount to be distributed to it under this section in payment
29 of a loan agreement with the North Carolina Solid Waste Management Capital Projects
30 Financing Agency. A county or municipality that has pledged amounts distributed
31 under this section in payment of a loan agreement with the Agency may apply the
32 amount the loan agreement requires.

33 (b) (d) Definition. – For purposes of this section, the term 'municipality' includes
34 any urban service district defined by the governing board of a consolidated city-county,
35 and the amounts due thereby shall be distributed to the government of the consolidated
36 city-county."

37 Sec. 3. Effective July 1, 1993, G.S. 105-275.1(b) reads as rewritten:

38 "(b) Subsequent Distributions. – As soon as practicable after January 1, 1990, the
39 Secretary shall pay to each county and city the amount it received under subsection (a)
40 in 1989 plus an amount equal to the county or city average rate multiplied by the value
41 of the items described in subdivisions (ii) and (iii) of subsection (a) that were required
42 to be listed and assessed as of January 1, 1987, and were listed on or before September
43 1, 1987, in the county or city, plus or minus the percentage of this product that equals
44 the percentage by which State personal income has increased or decreased during the

1 most recent 12-month period for which State personal income data has been compiled
2 by the Bureau of Economic Analysis of the United States Department of Commerce.
3 As soon as practicable after January 1, 1990, the Secretary shall also pay to each county
4 and city an amount equal to the average rate for each special district for which the
5 county or city collected taxes in 1987, but whose tax rates were not included in the
6 county or city's rates, multiplied by the value of the items described in subdivisions (ii)
7 and (iii) of subsection (a) that were required to be listed and assessed as of January 1,
8 1987, and were listed on or before September 1, 1987, in the district, plus or minus the
9 percentage of this product that equals the percentage by which State personal income
10 has increased or decreased during the most recent 12-month period for which State
11 personal income data has been compiled by the Bureau of Economic Analysis of the
12 United States Department of Commerce. As soon as practicable after January 1, 1991,
13 except as provided in subsection (f), the Secretary shall pay to each county and city the
14 amount it received under this section the preceding year plus an amount equal to the
15 county or city average rate multiplied by the value of the items described in subdivision
16 (v) of subsection (a) contained in the list submitted by the county or city, plus or minus
17 the percentage of this product that equals the percentage by which State personal
18 income has increased or decreased during the most recent 12-month period for which
19 State personal income data has been compiled by the Bureau of Economic Analysis of
20 the United States Department of Commerce. As soon as practical after January 1, 1992,
21 except as provided in subsection (f), the Secretary shall distribute to each county and
22 city the amount it received under this section the preceding year. On or before April 30,
23 1993, except as provided in subsection (f), the Secretary shall distribute to each county
24 and city ninety-nine and eighty-one one-hundredths percent (99.81%) of the amount it
25 received under this section the preceding year. Thereafter, beginning in August 1993,
26 except as provided in subsection (f), on or before April-August 30 of each year, the
27 Secretary shall distribute to each county and city sixty percent (60%) of the amount it
28 received under this section the preceding year. in April 1993, and the Secretary shall
29 distribute to each county and city on or before April 30 of each year forty percent (40%)
30 of the amount it received under this section in April 1993.

31 Of the funds received by each county and city pursuant to this subsection in 1990,
32 the portion that was received because the county or city was collecting taxes for a
33 special district (either because the district's tax rate was included in the city or county's
34 rate or because the Secretary paid the county or city the product of the district's average
35 rate and the value of the inventories and other items in the district) shall be distributed
36 among the districts in the county or city as soon as practicable after the city or county
37 receives the funds. The county or city shall distribute to each special district in the
38 county or city the amount it distributed to the district in 1989 plus an amount equal to
39 the average rate for the district multiplied by the value of the items, other than
40 inventory, described in subdivisions (ii) and (iii) of subsection (a) that were required to
41 be listed and assessed as of January 1, 1987, and were listed on or before September 1,
42 1987, in the district, plus or minus the percentage of this product that equals the
43 percentage by which State personal income has increased or decreased during the most

1 recent 12-month period for which State personal income data has been compiled by the
2 Bureau of Economic Analysis of the United States Department of Commerce.

3 Each year thereafter, until August 1993, as soon as practicable after receiving funds
4 under this subsection, every county and city shall distribute among the special districts
5 for which the county or city collects tax an amount equal to the amount it distributed
6 among such districts the previous year. Each year thereafter, beginning in August 1993,
7 as soon as practical after receiving funds under this subsection in August, every county
8 and city shall distribute among the special districts for which the county or city collects
9 tax an amount equal to sixty percent (60%) of the amount it distributed among such
10 districts in April 1993, and as soon as practicable after receiving funds under this
11 subsection in April, every county and city shall distribute among the special districts for
12 which the county or city collects tax an amount equal to forty percent (40%) of the
13 amount it distributed among such districts in April 1993. ~~The~~

14 The Local Government Commission may adopt rules for the resolution of disputes
15 and correction of errors in the distribution among special districts provided in this
16 subsection. In addition, the Local Government Commission may adopt rules for the
17 reallocation of funds when a special district is dissolved, merged, or consolidated, or
18 when a special district ceases to levy tax, either temporarily or permanently."

19 Sec. 4. Effective July 1, 1993, G.S. 105-277A(b) reads as rewritten:

20 "(b) First Per Capita Distribution. – As soon as practicable after January 1 of
21 1989, the Secretary shall distribute to each taxing unit the unit's per capita share of the
22 sum of fifteen million seven hundred forty-five thousand dollars (\$15,745,000).
23 Thereafter, as soon as practicable after January 1 of 1990 and 1991, the Secretary shall
24 distribute to each taxing unit the unit's per capita share of an amount equal to the sum
25 distributed to all taxing units the previous year under this subsection plus or minus the
26 product of the sum distributed the previous year and the percentage by which State
27 personal income has increased or decreased during the most recent 12-month period for
28 which State personal income data has been compiled by the Bureau of Economic
29 Analysis of the United States Department of Commerce.

30 ~~Thereafter, on~~ On or before April 30 of each year April 30, 1992, and April 30, 1993,
31 the Secretary shall distribute to each taxing unit the unit's per capita share of the sum
32 that this subsection provided was to be distributed to all taxing units in 1991.
33 Thereafter, the Secretary shall determine for each taxing unit the unit's per capita share
34 of the sum that was distributed to all taxing units in 1993. The Secretary shall distribute
35 forty percent (40%) of this amount to each taxing unit on or before April 30 of each
36 year. The Secretary shall distribute the remaining sixty percent (60%) of this amount to
37 each taxing unit on or before August 30 of each year.

38 To make the per capita distributions required by this subsection, the Secretary shall
39 first allocate the sum to be distributed among the counties on a per capita basis. The
40 Secretary shall then compute a per capita distributable amount for each county by
41 dividing the amount allocated to a county by the total population of the county, plus the
42 population of any incorporated towns and cities located in the county. Each taxing unit
43 in a county, including the county itself, shall receive the product of the population of the
44 taxing unit and the per capita distributable amount for that county.

1 A city or county that receives funds under this subsection and that collects taxes for
2 another taxing unit shall distribute part of the taxes received by it to the taxing unit for
3 which it collects tax. The distribution shall be made on the basis of the proportionate
4 amount of ad valorem taxes levied, for the most recent fiscal year beginning July 1, by
5 the city or county and by all the taxing units for which the city or county collects tax.
6 This distribution shall be made as soon as practicable after a city or county receives
7 funds from the State under this section."

8 Sec. 5. Effective July 1, 1993, G.S. 105-277A(c) reads as rewritten:

9 "(c) Second Per Capita Distribution. – On or before March 20, 1989, the Secretary
10 shall allocate to each county the county's per capita share of the sum of thirty-nine
11 million dollars (\$39,000,000).

12 Each year ~~thereafter~~, thereafter through April 1993, on or before April 30, the
13 Secretary of Revenue shall allocate to each county the amount it received the previous
14 year under this subsection. On or before August 30, 1993, the Secretary shall determine
15 for each county the amount it received in April 1993 under this subsection. Beginning
16 in August 1993 and each year thereafter, the Secretary shall distribute forty percent
17 (40%) of this amount to each county on or before April 30 and the remaining sixty
18 percent (60%) to each county on or before August 30.

19 Amounts allocated to a county under this subsection shall in turn be divided and
20 distributed between the county and the cities located in the county in proportion to the
21 total amount of ad valorem taxes levied by each during the fiscal year preceding the
22 distribution. For the purposes of this section, the amount of the ad valorem taxes levied
23 by a county or city shall include any ad valorem taxes collected by the county or city in
24 behalf of a special district. For the purpose of computing the distribution for any year
25 with respect to which the property valuation of a public service company is the subject
26 of an appeal and the Department of Revenue is restrained by law from certifying the
27 valuation to the appropriate counties and cities, the Department shall use the latest
28 property valuation of that public service company that has been certified.

29 The governing body of each county and city shall report to the Secretary of Revenue
30 such information as he may request in order to make the distribution under this
31 subsection. If a county or city fails to make a requested report within the time
32 prescribed, the Secretary may disregard that county or city and the other taxing units in
33 the county or city in making the distribution."

34 Sec. 6. Effective July 1, 1993, G.S. 105-277A(c1) reads as rewritten:

35 "(c1) Claims-based Distribution. – On or before March 20, 1989, the Secretary shall
36 distribute to each county and city an amount equal to the amount by which the county or
37 city's inventory loss, as defined in subsection (d) of this section, exceeds the amount of
38 the reimbursement received by the county or city under subsection (c) of this ~~subsection~~.
39 section.

40 Except as provided in subsection (g) of this section, each year ~~thereafter~~, ~~thereafter~~
41 through April 1993, on or before April 30, the Secretary shall distribute to each county
42 and city the amount it received the previous year under this subsection. On or before
43 August 30, 1993, the Secretary shall determine for each county and city the amount it
44 received in April 1993 under this subsection. Beginning in August 1993 and each year

1 thereafter, the Secretary shall distribute forty percent (40%) of this amount to each
2 county and city on or before April 30 and the remaining sixty percent (60%) of this
3 amount to each county and city on or before August 30."

4 Sec. 7. Effective July 1, 1993, G.S. 105-277A(c2) reads as rewritten:

5 "(c2) Supplemental Distribution. – On or before March 20, 1989, the Secretary
6 shall determine, with respect to each county and city, whether the sum of (i) the amount
7 the county or city received under subsection (c), plus (ii) the amount the county or city
8 received under subsection (c1), plus (iii) three and four-tenths percent (3.4%) of the
9 total distribution received by the county or city under G.S. 105-472, 105-486, 105-501,
10 and Chapter 1096 of the 1967 Session Laws between January 1, 1988, and December
11 31, 1988, is less than ninety percent (90%) of the amount of taxes the county or city
12 actually levied on inventories owned by retailers and wholesalers for the 1987-88 tax
13 year. If that sum is less than ninety percent (90%) of the amount of taxes the county or
14 city actually levied on those inventories for the 1987-88 tax year, the Secretary shall
15 distribute to that county or city a supplemental amount equal to the amount by which
16 ninety percent (90%) of the taxes it actually levied on inventories owned by retailers
17 and wholesalers for the 1987-88 tax year exceeds the total of subdivisions (i), (ii), and
18 (iii).

19 Except as provided in subsection (g) of this section, each year ~~thereafter, thereafter~~
20 through April 1993, on or before April 30, the Secretary shall distribute to each county
21 and city the amount it received the previous year under this subsection. On or before
22 August 30, 1993, the Secretary shall determine for each county and city the amount it
23 received in April 1993 under this subsection. Beginning in August 1993 and each year
24 thereafter, the Secretary shall distribute forty percent (40%) of this amount to each
25 county and city on or before April 30 and the remaining sixty percent (60%) to each
26 county and city on or before August 30."

27 Sec. 8. Effective July 1, 1993, and applicable to taxes collected during the
28 calendar quarter ending June 30, 1993, G.S. 105-113.82 reads as rewritten:

29 "**§ 105-113.82. ~~Appropriation of amount equal to~~ Distribution of part of beer and**
30 **wine taxes.**

31 (a) Amount, Method. —~~An amount equal to the following percentages of the net~~
32 ~~amount of excise taxes collected, during the period that began October 1, 1989, and~~
33 ~~ended September 30, 1990, The Secretary shall distribute quarterly the following~~
34 percentages of the net amount of excise taxes collected on the sale of malt beverages
35 and ~~wine, wine~~ during the preceding quarter, less the amount of the net proceeds
36 credited to the Department of Agriculture under G.S. 105-113.81A, is ~~annually~~
37 ~~appropriated from the General Fund~~ to the counties and cities in which the retail sale of
38 these beverages is authorized:

- 39 (1) Of the tax on malt beverages levied under G.S. 105-113.80(a), twenty-
40 three and three-fourths percent (23 3/4%);
- 41 (2) Of the tax on unfortified wine levied under G.S. 105-113.80(b), sixty-
42 two percent (62%); and
- 43 (3) Of the tax on fortified wine levied under G.S. 105-113.80(b), twenty-
44 two percent (22%).

1 If malt beverages, unfortified wine, or fortified wine may be licensed to be sold at
2 retail in both a county and a city located in the county, both the county and city shall
3 receive a portion of the amount appropriated, that portion to be determined on the basis
4 of population. If one of these beverages may be licensed to be sold at retail in a city
5 located in a county in which the sale of the beverage is otherwise prohibited, only the
6 city shall receive a portion of the amount ~~appropriated, distributed,~~ that portion to be
7 determined on the basis of population. The amount of the appropriation to be amounts
8 distributed under subdivisions (1), (2), and (3) shall be computed separately.

9 (b) ~~Reduction in Appropriation Amount Distributed.~~ – Where the sale of malt
10 beverages, unfortified wine, or fortified wine is prohibited in a defined area of a city or
11 county in which the sale of the beverage is authorized, the amount that would otherwise
12 be ~~appropriated distributed~~ to the city or county on the basis of population under
13 subsection (a) shall be reduced in the same ratio that the area of the defined area bears
14 to the total area of the city or county, unless the defined area is a city. If the defined
15 area in a county is a city, the reduction in the amount that would otherwise be
16 ~~appropriated distributed~~ to the county under subsection (a) shall be based on population
17 instead of area.

18 (c) Exception. – Notwithstanding subsection (a), in a county in which ABC
19 stores have been established by petition, the ~~amount appropriated revenue~~ shall be
20 distributed as though the entire county had approved the retail sale of a beverage whose
21 retail sale is authorized in part of the county.

22 (d) Time. ~~—The appropriation shall be distributed to cities and counties within 60~~
23 ~~days after September 30 of each year. The revenue shall be distributed within 60 days~~
24 after the end of each quarter.

25 (e) Population Estimates. – To determine the population of a city or county for
26 purposes of the distribution required by this section, the Secretary shall use the most
27 recent annual estimate of population certified by the State Budget Officer.

28 (f) City Defined. – As used in this section, the term 'city' means a city as defined
29 in G.S. 153A-1(1) or an urban service district defined by the governing body of a
30 consolidated city-county.

31 (g) Use of Funds. – Funds ~~appropriated distributed~~ to a county or city under this
32 section may be used for any public purpose.

33 (h) ~~Act.—The appropriation made by this section shall be included in the Current~~
34 ~~Operations Appropriations Act."~~

35 Sec. 9. Effective July 1, 1993, and applicable to taxes collected during the
36 calendar quarter ending June 30, 1993, G.S. 105-116(d) reads as rewritten:

37 ~~"(d) Appropriation. There is annually appropriated from the General Fund—Distribution.~~
38 – The Secretary of Revenue shall distribute quarterly to each municipality an amount
39 that equals three and nine hundredths percent (3.09%) of the taxable gross receipts
40 derived, from April 1, 1990, to March 31, 1991, derived during the preceding calendar
41 quarter by an electric power company and a natural gas company from sales within the
42 municipality of the commodities and services described in subsection (a).—subsection (a),
43 less three million three hundred fifty thousand dollars (\$3,350,000). The Secretary of
44 Revenue shall ~~transfer the amount appropriated to a municipality in quarterly installments on~~

1 ~~or before September 15, December 15, March 15, and June 15 in proportion to the taxable~~
2 ~~gross receipts derived within the municipality during the preceding calendar quarter. distribute~~
3 ~~the revenue within 75 days after the end of each quarter. If a company's report does not~~
4 ~~state the company's taxable gross receipts derived within a municipality, the Secretary~~
5 ~~of Revenue shall determine a practical method of allocating part of the company's~~
6 ~~taxable gross receipts to the municipality. ~~Before transferring the amount appropriated by~~~~
7 ~~~~this subsection, the Secretary of Revenue shall certify the amount to be transferred to the State~~~~
8 ~~Controller. ~~The appropriation made by this subsection shall be included in the Current~~~~
9 ~~Operations Appropriations Act.~~

10 As used in this subsection, the term 'municipality' includes an urban service district
11 defined by the governing board of a consolidated city-county. The amount due an urban
12 service district shall be distributed to the governing board of the consolidated city-
13 county."

14 Sec. 10. Effective July 1, 1993, and applicable to taxes collected during the
15 calendar quarter ending June 30, 1993, G.S. 105-120(c) reads as rewritten:

16 "(c) ~~Appropriation. — There is annually appropriated from the General Fund~~
17 ~~Distribution. — The Secretary of Revenue shall distribute to each municipality an~~
18 ~~amount that equals three and nine hundredths percent (3.09%) of the taxable gross~~
19 ~~receipts derived, from April 1, 1990, to March 31, 1991, derived during the preceding~~
20 ~~calendar quarter from local telecommunications service provided within the~~
21 ~~municipality. municipality, less five hundred thousand dollars (\$500,000). The Secretary~~
22 ~~of Revenue shall transfer the amount appropriated to a municipality in quarterly installments~~
23 ~~on or before September 15, December 15, March 15, and June 15 in proportion to the taxable~~
24 ~~gross receipts derived within the municipality during the preceding calendar quarter. distribute~~
25 ~~the revenue within 75 days after the end of each quarter. If a company's report does not~~
26 ~~state the company's taxable gross receipts derived within a municipality, the Secretary~~
27 ~~of Revenue shall determine a practical method of allocating part of the company's~~
28 ~~taxable gross receipts to the municipality. ~~Before transferring the amount appropriated by~~~~
29 ~~~~this subsection, the Secretary of Revenue shall certify the amount to be transferred to the State~~~~
30 ~~Controller. ~~The appropriation made by this subsection shall be included in the Current~~~~
31 ~~Operations Appropriations Act.~~

32 As used in this subsection, the term 'municipality' includes an urban service district
33 defined by the governing board of a consolidated city-county. The amount due an urban
34 service district shall be distributed to the governing board of the consolidated city-
35 county."

36 Sec. 11. Section 1 of this act becomes effective July 1, 1993, and expires on
37 July 1, 1994. Section 2 of this act becomes effective July 1, 1994. Sections 8, 9, and 10
38 become effective July 1, 1993, and apply beginning with taxes collected during the
39 calendar quarter ending June 30, 1993. The remaining sections of this act become
40 effective July 1, 1993.