

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 854

Short Title: Pitt 1% Sales Tax/Capital.

(Local)

Sponsors: Representative Edwards.

Referred to: Rules, Calendar and Operations of the House.

April 1, 1999

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE PITT COUNTY TO LEVY A ONE-CENT LOCAL SALES TAX FOR COUNTY AND MUNICIPALITY CAPITAL OUTLAY AND INFRASTRUCTURE IMPROVEMENTS, IF APPROVED BY THE VOTERS OF THE COUNTY.

The General Assembly of North Carolina enacts:

Section 1. This act applies only to Pitt County.

Section 2. Subchapter VIII of Chapter 105 of the General Statutes is amended by adding a new Article to read:

"ARTICLE 44.

"SECOND ONE-CENT (1¢) LOCAL GOVERNMENT SALES AND USE TAX.

"§ 105-515. Short title.

This Article is the Second One-Cent (1¢) Local Government Sales and Use Tax Act.

"§ 105-516. Limitations.

This Article applies only to counties that levy the first one-cent (1¢) sales and use tax under Article 39 of this Chapter or under Chapter 1096 of the 1967 Session Laws, the first one-half cent (1/2¢) local sales and use tax under Article 40 of this Chapter, and the second one-half cent (1/2¢) local sales and use tax under Article 42 of this Chapter.

"§ 105-517. County election on adoption of tax.

1 (a) Resolution. – The board of commissioners of a county may, by resolution, after
2 10 days' public notice and a public hearing on the question, direct the county board of
3 elections to conduct a special election on the question of whether a local sales and use tax
4 at the rate of one percent (1%) will be levied in accordance with this Article. The
5 election must be on a date jointly agreed upon by the two boards and must be held in
6 accordance with the procedures of G.S. 163-287.

7 (b) Ballot Question. – The question to be presented on a ballot for a special
8 election concerning the levy of the taxes authorized by this Article must be in the
9 following form:

10 **'[] FOR [] AGAINST**

11 one percent (1%) local sales and use taxes, in addition to the current two percent (2%)
12 local sales and use taxes, to be used only for county and municipal capital outlay and
13 infrastructure improvements, and to retire indebtedness incurred for these purposes.'

14 **"§ 105-518. Levy, administration, and distribution.**

15 If the majority of those voting in a referendum held pursuant to this Article vote for
16 the levy of the tax, the board of commissioners of the county may, by resolution, levy one
17 percent (1%) local sales and use taxes in addition to any other State and local sales and
18 use taxes levied pursuant to law. Except as provided in this Article, the adoption, levy,
19 collection, administration, distribution, and repeal of these additional taxes shall be in
20 accordance with Article 39 of this Chapter.

21 A tax levied under this Article does not apply to the sales price of food that is not
22 otherwise exempt from tax pursuant to G.S. 105-164.13 but would be exempt from the
23 State sales and use tax pursuant to G.S. 105-164.13 if it were purchased under the Food
24 Stamp Program, 7 U.S.C. § 51.

25 **"§ 105-519. Use.**

26 Counties and municipalities may use the proceeds of a tax levied under this Article
27 only for capital outlay and infrastructure improvements and to retire indebtedness
28 incurred by the county or municipality for these purposes."

29 Section 3. This act is effective when it becomes law.

30 Section 4. A tax levied under Article 44 of Chapter 105 of the General
31 Statutes, as enacted by this act, does not apply to construction materials purchased to
32 fulfill a lump-sum or unit-price contract entered into or awarded before the effective date
33 of the levy or entered into or awarded pursuant to a bid made before the effective date of
34 the levy when the construction materials would otherwise be subject to the tax levied
35 under Article 44 of Chapter 105 of the General Statutes.