

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2001**

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**HOUSE BILL 883**

Short Title: Tyrrell Occupancy Tax.

(Local)

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Sponsors: Representative Culpepper.

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Referred to: Finance.

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March 29, 2001

A BILL TO BE ENTITLED

1  
2 AN ACT TO AUTHORIZE TYRRELL COUNTY TO LEVY A ROOM  
3 OCCUPANCY AND TOURISM DEVELOPMENT TAX.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Tyrrell occupancy tax. (a) Authorization and Scope. – The  
6 Tyrrell County Board of Commissioners may levy a room occupancy tax of up to six  
7 percent (6%) of the gross receipts derived from the rental of any room, lodging, or  
8 accommodation furnished by a hotel, motel, inn, tourist camp, or similar place within  
9 the county that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3).  
10 This tax is in addition to any State or local sales tax. This tax does not apply to  
11 accommodations furnished by private, nonprofit charitable, educational, or religious  
12 organizations when furnished in furtherance of their nonprofit purpose.

13 **SECTION 1.(b)** Administration. – A tax levied under this section shall be  
14 levied, administered, collected, and repealed as provided in G.S. 153A-155. The  
15 penalties provided in G.S. 153A-155 apply to a tax levied under this section.

16 **SECTION 1.(c)** Use of Tax Revenue. – Tyrrell County shall use at least  
17 two-thirds of the net proceeds of a tax levied under this section to promote travel and  
18 tourism in Tyrrell County and shall use the remainder for tourism-related expenditures.

19 The following definitions apply in this subsection:

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

25 (2) Promote travel and tourism. – To advertise or market an area or  
26 activity, publish and distribute pamphlets and other materials, conduct  
27 market research, or engage in similar promotional activities that attract

1 tourists or business travelers to the area; the term includes  
2 administrative expenses incurred in engaging in these activities.

- 3 (3) Tourism-related expenditures. – Expenditures that, in the judgment of  
4 the county, are designed to increase the use of lodging facilities,  
5 meeting facilities, and convention facilities in a county by attracting  
6 tourists or business travelers to the county. The term includes  
7 tourism-related capital expenditures.

8 **SECTION 2.** County Administrative Provisions. – G.S. 153A-155 reads as  
9 rewritten:

10 **"§ 153A-155. Uniform provisions for room occupancy taxes.**

11 (a) Scope. – This section applies only to counties the General Assembly has  
12 authorized to levy room occupancy taxes.

13 (b) Levy. – A room occupancy tax may be levied only by resolution, after not  
14 less than 10 days' public notice and after a public hearing held pursuant thereto. A room  
15 occupancy tax shall become effective on the date specified in the resolution levying the  
16 tax. That date must be the first day of a calendar month, however, and may not be  
17 earlier than the first day of the second month after the date the resolution is adopted.

18 (c) Collection. – Every operator of a business subject to a room occupancy tax  
19 shall, on and after the effective date of the levy of the tax, collect the tax. The tax shall  
20 be collected as part of the charge for furnishing a taxable accommodation. The tax shall  
21 be stated and charged separately from the sales records and shall be paid by the  
22 purchaser to the operator of the business as trustee for and on account of the taxing  
23 county. The tax shall be added to the sales price and shall be passed on to the purchaser  
24 instead of being borne by the operator of the business. The taxing county shall design,  
25 print, and furnish to all appropriate businesses and persons in the county the necessary  
26 forms for filing returns and instructions to ensure the full collection of the tax. An  
27 operator of a business who collects a room occupancy tax may deduct from the amount  
28 remitted to the taxing county a discount equal to the discount the State allows the  
29 operator for State sales and use tax.

30 (d) Administration. – The taxing county shall administer a room occupancy tax it  
31 levies. A room occupancy tax is due and payable to the county finance officer in  
32 monthly installments on or before the 15th day of the month following the month in  
33 which the tax accrues. Every person, firm, corporation, or association liable for the tax  
34 shall, on or before the 15th day of each month, prepare and render a return on a form  
35 prescribed by the taxing county. The return shall state the total gross receipts derived in  
36 the preceding month from rentals upon which the tax is levied. A room occupancy tax  
37 return filed with the county finance officer is not a public record and may not be  
38 disclosed except in accordance with G.S. 153A-148.1 or G.S. 160A-208.1.

39 (e) Penalties. – A person, firm, corporation, or association who fails or refuses to  
40 file a room occupancy tax return or pay a room occupancy tax as required by law is  
41 subject to the civil and criminal penalties set by G.S. 105-236 for failure to pay or file a  
42 return for State sales and use taxes. The governing board of the taxing county has the  
43 same authority to waive the penalties for a room occupancy tax that the Secretary of  
44 Revenue has to waive the penalties for State sales and use taxes.

1 (f) Repeal or Reduction. – A room occupancy tax levied by a county may be  
2 repealed or reduced by a resolution adopted by the governing body of the county.  
3 Repeal or reduction of a room occupancy tax shall become effective on the first day of a  
4 month and may not become effective until the end of the fiscal year in which the  
5 resolution was adopted. Repeal or reduction of a room occupancy tax does not affect a  
6 liability for a tax that was attached before the effective date of the repeal or reduction,  
7 nor does it affect a right to a refund of a tax that accrued before the effective date of the  
8 repeal or reduction.

9 (g) This section applies only to Avery, Brunswick, Craven, Currituck, Davie,  
10 Granville, Madison, Nash, Person, Randolph, Scotland, ~~and Transylvania~~ Transylvania,  
11 and Tyrrell Counties."

12 **SECTION 3.** This act is effective when it becomes law.