

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1999

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HOUSE BILL 1543

Short Title: Camden Occupancy Tax.

(Local)

Sponsors: Representative Owens.

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

May 16, 2000

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE CAMDEN COUNTY TO LEVY A ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX.

The General Assembly of North Carolina enacts:

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

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 A tax levied under this section shall be levied, administered, collected, and repealed as provided in G.S. 153A-155.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

Section 1.(c) Use of Tax Revenue. Camden County shall use at least two-thirds of the net proceeds of a tax levied under this section to promote travel and tourism in the county and shall use the remainder for tourism-related expenditures.

The following definitions apply in this subsection:

1 (1) Net Proceeds. – Gross proceeds less the cost to the county of
2 administering and collecting the tax, as determined by the finance
3 officer, not to exceed three percent (3%) of the gross receipts collected
4 each year.

5 (2) Promote Travel and Tourism. – To advertise or market an area or
6 activity, publish and distribute pamphlets and other materials, conduct
7 market research, or engage in similar promotional activities that attract
8 tourists or business travelers to the area; the term includes
9 administrative expenses incurred in engaging in these activities.

10 Section 1. Tourism-related expenditures. – Expenditures that, in the judgment
11 of county, are designed to increase the use of lodging facilities, meeting facilities, and
12 convention facilities in a county by attracting tourists or business travelers to the county.
13 The term includes tourism-related capital expenditures.

14 Section 2. County administrative provisions. G.S. 153A-155 reads as
15 rewritten:

16 **"§ 153A-155. Uniform provisions for room occupancy taxes.**

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

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

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

36 (d) Administration. – The taxing county shall administer a room occupancy tax it
37 levies. A room occupancy tax is due and payable to the county finance officer in
38 monthly installments on or before the 15th day of the month following the month in
39 which the tax accrues. Every person, firm, corporation, or association liable for the tax
40 shall, on or before the 15th day of each month, prepare and render a return on a form
41 prescribed by the taxing county. The return shall state the total gross receipts derived in
42 the preceding month from rentals upon which the tax is levied. A room occupancy tax

1 return filed with the county finance officer is not a public record and may not be
2 disclosed except in accordance with G.S. 153A-148.1 or G.S. 160A-208.1.

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

9 (f) Repeal or reduction. – A room occupancy tax levied by a county may be
10 repealed or reduced by a resolution adopted by the governing body of the county. Repeal
11 or reduction of a room occupancy tax shall become effective on the first day of a month
12 and may not become effective until the end of the fiscal year in which the resolution was
13 adopted. Repeal or reduction of a room occupancy tax does not affect a liability for a tax
14 that was attached before the effective date of the repeal or reduction, nor does it affect a
15 right to a refund of a tax that accrued before the effective date of the repeal or reduction.

16 (g) Counties. – This section applies only to Avery, Brunswick, Camden, Craven,
17 Currituck, Davie, Madison, Nash, Person, Randolph, Scotland, and Transylvania
18 Counties."

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