

**GENERAL ASSEMBLY OF NORTH CAROLINA**

**SESSION 1999**

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HOUSE BILL 672  
Committee Substitute Favorable 6/17/99

Short Title: Various Local Occupancy Taxes.

(Local)

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Sponsors:

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Referred to:

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March 29, 1999

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE VARIOUS COUNTIES AND TOWNS TO LEVY ROOM  
OCCUPANCY AND TOURISM DEVELOPMENT TAXES.

The General Assembly of North Carolina enacts:

PART I. TOWN OF NORWOOD

Section 1. Occupancy tax. (a) Authorization and scope. The Board of Commissioners of the Town of Norwood 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 town 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 A tax levied under this section shall be levied, administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in G.S. 160A-215 apply to a tax levied under this section.

Section 1.(c) Distribution and use of tax revenue. The town shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Norwood Tourism Development Authority. The Authority shall use at least two-thirds of the funds remitted to it under

1 this subsection to promote travel and tourism in Norwood and shall use the remainder for  
2 tourism-related expenditures.

3 The following definitions apply in this subsection:

- 4 (1) Net proceeds. – Gross proceeds less the cost to the town of  
5 administering and collecting the tax, as determined by the finance  
6 officer, not to exceed three percent (3%) of the first five hundred  
7 thousand dollars (\$500,000) of gross proceeds collected each year and  
8 one percent (1%) of the remaining gross receipts collected each year.
- 9 (2) Promote travel and tourism. – To advertise or market an area or activity,  
10 publish and distribute pamphlets and other materials, conduct market  
11 research, or engage in similar promotional activities that attract tourists  
12 or business travelers to the area; the term includes administrative  
13 expenses incurred in engaging in the listed activities.
- 14 (3) Tourism-related expenditures. – Expenditures that, in the judgment of  
15 the Authority, are designed to increase the use of lodging facilities,  
16 meeting facilities, or convention facilities in a town or to attract tourists  
17 or business travelers to the town. The term includes tourism-related  
18 capital expenditures.

19 Section 2. Tourism Development Authority. (a) Appointment and membership.  
20 When the Norwood Board of Commissioners adopts a resolution levying a room  
21 occupancy tax under this Part, it shall also adopt a resolution creating a town Tourism  
22 Development Authority, which shall be a public authority under the Local Government  
23 Budget and Fiscal Control Act. The resolution shall provide for the membership of the  
24 Authority, including the members' terms of office, and for the filling of vacancies on the  
25 Authority. At least one-third of the members must be individuals who are affiliated with  
26 businesses that collect the tax in the town, and at least three-fourths of the members must  
27 be individuals who are currently active in the promotion of travel and tourism in the  
28 town. The Norwood Board of Commissioners shall designate one member of the  
29 Authority as chair and shall determine the compensation, if any, to be paid to members of  
30 the Authority.

31 The Authority shall meet at the call of the chair and shall adopt rules of  
32 procedure to govern its meetings. The Finance Officer for Norwood shall be the ex  
33 officio finance officer of the Authority.

34 Section 2.(b) Duties. The Authority shall expend the net proceeds of the tax  
35 levied under this Part for the purposes provided in Section 1 of this Part. The Authority  
36 shall promote travel, tourism, and conventions in the town, sponsor tourist-related events  
37 and activities in the town, and finance tourist-related capital projects in the town.

38 Section 2.(c) Reports. The Authority shall report quarterly and at the close of the  
39 fiscal year to the Norwood Board of Commissioners on its receipts and expenditures for  
40 the preceding quarter and for the year in such detail as the board may require.

41 Section 3. Town administrative provisions. – Section 3 of S.L. 1997-410, as  
42 amended by Section 2 of S.L. 1997-447 and Section 4 of S.L. 1998-112, reads as  
43 rewritten:

1 "Section 3. Municipal Administrative Provisions. G.S. 160A-215, as enacted by S.L.  
2 1997-361 and S.L. 1997-364, applies to the Cities of Goldsboro, Lumberton, Mount Airy,  
3 Shelby, and Statesville, to the ~~Town of~~ Towns of Norwood and St. Pauls ~~Pauls~~, and to the  
4 municipalities in Brunswick County."

5 PART II. ANSON COUNTY

6 Section 4. Occupancy tax. (a) Authorization and scope. The Anson County Board of  
7 Commissioners may levy a room occupancy tax of up to three percent (3%) of the gross  
8 receipts derived from the rental of any room, lodging, or accommodation furnished by a  
9 hotel, motel, inn, tourist camp, or similar place within the county that is subject to sales  
10 tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State  
11 or local sales tax. This tax does not apply to accommodations furnished by nonprofit  
12 charitable, educational, or religious organizations when furnished in furtherance of their  
13 nonprofit purpose.

14 Section 4.(b) Administration. A tax levied under this section shall be levied,  
15 administered, collected, and repealed as provided in G.S. 153A-155. The penalties  
16 provided in G.S. 153A-155 apply to a tax levied under this section.

17 Section 4.(c) Distribution and use of tax revenue. Anson County shall, on a  
18 quarterly basis, remit the net proceeds of the occupancy tax to the Anson Tourism  
19 Development Authority. The Authority shall use at least two-thirds of the funds remitted  
20 to it under this subsection to promote travel and tourism in Anson County and shall use  
21 the remainder for tourism-related expenditures.

22 The following definitions apply in this subsection:

- 23 (1) Net proceeds. – Gross proceeds less the cost to the county of  
24 administering and collecting the tax, as determined by the finance  
25 officer, not to exceed three percent (3%) of the first five hundred  
26 thousand dollars (\$500,000) of gross proceeds collected each year and  
27 one percent (1%) of the remaining gross receipts collected each year.
- 28 (2) Promote travel and tourism. – To advertise or market an area or activity,  
29 publish and distribute pamphlets and other materials, conduct market  
30 research, or engage in similar promotional activities that attract tourists  
31 or business travelers to the area; the term includes administrative  
32 expenses incurred in engaging in these activities.
- 33 (3) Tourism-related expenditures. – Expenditures that, in the judgment of  
34 the Authority, are designed to increase the use of lodging facilities,  
35 meeting facilities, and convention facilities in a county by attracting  
36 tourists or business travelers to the county. The term includes tourism-  
37 related capital expenditures.

38 Section 5. Tourism Development Authority. (a) Appointment and membership.  
39 When the board of commissioners adopts a resolution levying a room occupancy tax  
40 under this Part, it shall also adopt a resolution creating a county Tourism Development  
41 Authority, which shall be a public authority under the Local Government Budget and  
42 Fiscal Control Act. The resolution shall provide for the membership of the Authority  
43 including the members' terms of office, and for the filling of vacancies on the Authority.

1 At least one-third of the members must be individuals who are affiliated with businesses  
2 that collect the tax in the city, and at least three-fourths of the members must be  
3 individuals who are currently active in the promotion of travel and tourism in the city.  
4 The board of commissioners shall designate one member of the Authority as chair and  
5 shall determine the compensation, if any, to be paid to members of the Authority.

6 The Authority shall meet at the call of the chair and shall adopt rules of  
7 procedure to govern its meetings. The Finance Officer for Anson County shall be the ex  
8 officio finance officer of the Authority.

9 Section 5.(b) Duties. The Authority shall expend the net proceeds of the tax  
10 levied under this Part for the purposes provided in Section 4 of this Part. The Authority  
11 shall promote travel, tourism, and conventions in the county, sponsor tourist-related  
12 events and activities in the county, and finance tourist-related capital projects in the  
13 county.

14 Section 5.(c) Reports. The Authority shall report quarterly and at the close of the  
15 fiscal year to the board of commissioners on its receipts and expenditures for the  
16 preceding quarter and for the year in such detail as the board may require.

17 Section 6. County Administrative Provisions. Section 3(b) of S.L. 1997-102,  
18 as amended by Section 2 of S.L. 1997-255, Section 2 of S.L. 1997-342, Section 3 of S.L.  
19 1997-364, Section 6 of S.L. 1997-410, and Section 2 of S.L. 1998-14, reads as rewritten:

20 "(b) This section applies only to Anson, Avery, Brunswick, Davie, Madison, Nash,  
21 Person, Randolph, and Scotland Counties."

### 22 PART III. TOWN OF WADESBORO

23 Section 7. Occupancy tax. (a) Authorization and scope. The Board of  
24 Commissioners of the Town of Wadesboro may levy a room occupancy tax of up to three  
25 percent (3%) of the gross receipts derived from the rental of any room, lodging, or  
26 accommodation furnished by a hotel, motel, inn, tourist camp, or similar place within the  
27 town that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This  
28 tax is in addition to any State or local sales tax. This tax does not apply to  
29 accommodations furnished by nonprofit charitable, educational, or religious  
30 organizations when furnished in furtherance of their nonprofit purpose.

31 Section 7.(b) Administration. A tax levied under this section shall be levied,  
32 administered, collected, and repealed as provided in G.S. 160A-215. The penalties  
33 provided in G.S. 160A-215 apply to a tax levied under this section.

34 Section 7.(c) Distribution and use of tax revenue. The town shall, on a quarterly  
35 basis, remit the net proceeds of the occupancy tax to the Wadesboro Tourism  
36 Development Authority. The Authority shall use at least two-thirds of the funds remitted  
37 to it under this subsection to promote travel and tourism in Wadesboro and shall use the  
38 remainder for tourism-related expenditures.

39 The following definitions apply in this subsection:

- 40 (1) Net proceeds. – Gross proceeds less the cost to the town of  
41 administering and collecting the tax, as determined by the finance  
42 officer, not to exceed three percent (3%) of the first five hundred

1 thousand dollars (\$500,000) of gross proceeds collected each year and  
2 one percent (1%) of the remaining gross receipts collected each year.

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

8 (3) Tourism-related expenditures. – Expenditures that, in the judgment of  
9 the Authority, are designed to increase the use of lodging facilities,  
10 meeting facilities, or convention facilities in a town or to attract tourists  
11 or business travelers to the town. The term includes tourism-related  
12 capital expenditures.

13 Section 8. Tourism Development Authority. (a) Appointment and membership.  
14 When the Wadesboro Board of Commissioners adopts a resolution levying a room  
15 occupancy tax under this Part, it shall also adopt a resolution creating a town Tourism  
16 Development Authority, which shall be a public authority under the Local Government  
17 Budget and Fiscal Control Act. The resolution shall provide for the membership of the  
18 Authority, including the members' terms of office, and for the filling of vacancies on the  
19 Authority. At least one-third of the members must be individuals who are affiliated with  
20 businesses that collect the tax in the town, and at least three-fourths of the members must  
21 be individuals who are currently active in the promotion of travel and tourism in the  
22 town. The Wadesboro Board of Commissioners shall designate one member of the  
23 Authority as chair and shall determine the compensation, if any, to be paid to members of  
24 the Authority.

25 The Authority shall meet at the call of the chair and shall adopt rules of  
26 procedure to govern its meetings. The Finance Officer for Wadesboro shall be the ex  
27 officio finance officer of the Authority.

28 Section 8.(b) Duties. The Authority shall expend the net proceeds of the tax  
29 levied under this Part for the purposes provided in Section 7 of this Part. The Authority  
30 shall promote travel, tourism, and conventions in the town, sponsor tourist-related events  
31 and activities in the town, and finance tourist-related capital projects in the town.

32 Section 8.(c) Reports. The Authority shall report quarterly and at the close of the  
33 fiscal year to the Wadesboro Board of Commissioners on its receipts and expenditures for  
34 the preceding quarter and for the year in such detail as the board may require.

35 Section 9. Town administrative provisions. – Section 3 of S.L. 1997-410, as  
36 amended by Section 2 of S.L. 1997-447 and Section 4 of S.L. 1998-112, reads as  
37 rewritten:

38 "Section 3. Municipal Administrative Provisions. G.S. 160A-215, as enacted by S.L.  
39 1997-361 and S.L. 1997-364, applies to the Cities of Goldsboro, Lumberton, Mount Airy,  
40 Shelby, and Statesville, to the ~~Town of~~ Towns of St. Pauls and Wadesboro, and to the  
41 municipalities in Brunswick County."

42 PART IV. MONTGOMERY COUNTY

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

9 Section 10.(b) Administration. A tax levied under this section shall be levied,  
10 administered, collected, and repealed as provided in G.S. 153A-155. The penalties  
11 provided in G.S. 153A-155 apply to a tax levied under this section.

12 Section 10.(c) Distribution and use of tax revenue. Montgomery County shall, on a  
13 quarterly basis, remit the net proceeds of the occupancy tax to the Montgomery Tourism  
14 Development Authority. The Authority shall use at least two-thirds of the funds remitted  
15 to it under this subsection to promote travel and tourism in Montgomery County and shall  
16 use the remainder for tourism-related expenditures.

17 The following definitions apply in this subsection:

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

23 (2) Promote travel and tourism. – To advertise or market an area or activity,  
24 publish and distribute pamphlets and other materials, conduct market  
25 research, or engage in similar promotional activities that attract tourists  
26 or business travelers to the area; the term includes administrative  
27 expenses incurred in engaging in these activities.

28 (3) Tourism-related expenditures. – Expenditures that, in the judgment of  
29 the Authority, are designed to increase the use of lodging facilities,  
30 meeting facilities, and convention facilities in a county by attracting  
31 tourists or business travelers to the county. The term includes tourism-  
32 related capital expenditures.

33 Section 11. Tourism Development Authority. (a) Appointment and membership.  
34 When the board of commissioners adopts a resolution levying a room occupancy tax  
35 under this Part, it shall also adopt a resolution creating a county Tourism Development  
36 Authority, which shall be a public authority under the Local Government Budget and  
37 Fiscal Control Act. The resolution shall provide for the membership of the Authority  
38 including the members' terms of office, and for the filling of vacancies on the Authority.  
39 At least one-third of the members must be individuals who are affiliated with businesses  
40 that collect the tax in the city, and at least three-fourths of the members must be  
41 individuals who are currently active in the promotion of travel and tourism in the city.  
42 The board of commissioners shall designate one member of the Authority as chair and  
43 shall determine the compensation, if any, to be paid to members of the Authority.

1 The Authority shall meet at the call of the chair and shall adopt rules of  
2 procedure to govern its meetings. The Finance Officer for Montgomery County shall be  
3 the ex officio finance officer of the Authority.

4 Section 11.(b) Duties. The Authority shall expend the net proceeds of the tax  
5 levied under this Part for the purposes provided in Section 10 of this Part. The Authority  
6 shall promote travel, tourism, and conventions in the county, sponsor tourist-related  
7 events and activities in the county, and finance tourist-related capital projects in the  
8 county.

9 Section 11.(c) Reports. The Authority shall report quarterly and at the close of the  
10 fiscal year to the board of commissioners on its receipts and expenditures for the  
11 preceding quarter and for the year in such detail as the board may require.

12 Section 12. County Administrative Provisions. Section 3(b) of S.L. 1997-102,  
13 as amended by Section 2 of S.L. 1997-255, Section 2 of S.L. 1997-342, Section 3 of S.L.  
14 1997-364, Section 6 of S.L. 1997-410, and Section 2 of S.L. 1998-14, reads as rewritten:

15 "(b) This section applies only to Avery, Brunswick, Davie, Madison, Montgomery,  
16 Nash, Person, Randolph, and Scotland Counties."

#### 17 PART V. TOWN OF BISCOE

18 Section 13. Occupancy tax. (a) Authorization and scope. The Board of  
19 Commissioners of the Town of Biscoe may levy a room occupancy tax of up to three  
20 percent (3%) of the gross receipts derived from the rental of any room, lodging, or  
21 accommodation furnished by a hotel, motel, inn, tourist camp, or similar place within the  
22 town that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This  
23 tax is in addition to any State or local sales tax. This tax does not apply to  
24 accommodations furnished by nonprofit charitable, educational, or religious  
25 organizations when furnished in furtherance of their nonprofit purpose.

26 Section 13.(b) Administration. A tax levied under this section shall be levied,  
27 administered, collected, and repealed as provided in G.S. 160A-215. The penalties  
28 provided in G.S. 160A-215 apply to a tax levied under this section.

29 Section 13.(c) Distribution and use of tax revenue. The town shall, on a quarterly  
30 basis, remit the net proceeds of the occupancy tax to the Biscoe Tourism Development  
31 Authority. The Authority shall use at least two-thirds of the funds remitted to it under  
32 this subsection to promote travel and tourism in Biscoe and shall use the remainder for  
33 tourism-related expenditures.

34 The following definitions apply in this subsection:

- 35 (1) Net proceeds. – Gross proceeds less the cost to the town of  
36 administering and collecting the tax, as determined by the finance  
37 officer, not to exceed three percent (3%) of the first five hundred  
38 thousand dollars (\$500,000) of gross proceeds collected each year and  
39 one percent (1%) of the remaining gross receipts collected each year.
- 40 (2) Promote travel and tourism. – To advertise or market an area or activity,  
41 publish and distribute pamphlets and other materials, conduct market  
42 research, or engage in similar promotional activities that attract tourists

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

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

8 Section 14. Tourism Development Authority. (a) Appointment and membership.  
9 When the Biscoe Board of Commissioners adopts a resolution levying a room occupancy  
10 tax under this Part, it shall also adopt a resolution creating a town Tourism Development  
11 Authority, which shall be a public authority under the Local Government Budget and  
12 Fiscal Control Act. The resolution shall provide for the membership of the Authority,  
13 including the members' terms of office, and for the filling of vacancies on the Authority.  
14 At least one-third of the members must be individuals who are affiliated with businesses  
15 that collect the tax in the town, and at least three-fourths of the members must be  
16 individuals who are currently active in the promotion of travel and tourism in the town.  
17 The Biscoe Board of Commissioners shall designate one member of the Authority as  
18 chair and shall determine the compensation, if any, to be paid to members of the  
19 Authority.

20 The Authority shall meet at the call of the chair and shall adopt rules of  
21 procedure to govern its meetings. The Finance Officer for Biscoe shall be the ex officio  
22 finance officer of the Authority.

23 Section 14.(b) Duties. The Authority shall expend the net proceeds of the tax  
24 levied under this Part for the purposes provided in Section 13 of this Part. The Authority  
25 shall promote travel, tourism, and conventions in the town, sponsor tourist-related events  
26 and activities in the town, and finance tourist-related capital projects in the town.

27 Section 14.(c) Reports. The Authority shall report quarterly and at the close of the  
28 fiscal year to the Biscoe Board of Commissioners on its receipts and expenditures for the  
29 preceding quarter and for the year in such detail as the board may require.

30 Section 15. Town administrative provisions. – Section 3 of S.L. 1997-410, as  
31 amended by Section 2 of S.L. 1997-447 and Section 4 of S.L. 1998-112, reads as  
32 rewritten:

33 "Section 3. Municipal Administrative Provisions. G.S. 160A-215, as enacted by S.L.  
34 1997-361 and S.L. 1997-364, applies to the Cities of Goldsboro, Lumberton, Mount Airy,  
35 Shelby, and Statesville, to the ~~Town of~~ Towns of Biscoe and St. Pauls ~~Pauls~~, and to the  
36 municipalities in Brunswick County."

#### 37 PART VI. TOWN OF TROY

38 Section 16. Occupancy tax. (a) Authorization and scope. The Board of  
39 Commissioners of the Town of Troy may levy a room occupancy tax of up to three  
40 percent (3%) of the gross receipts derived from the rental of any room, lodging, or  
41 accommodation furnished by a hotel, motel, inn, tourist camp, or similar place within the  
42 town that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This  
43 tax is in addition to any State or local sales tax. This tax does not apply to



1 accommodations furnished by nonprofit charitable, educational, or religious  
2 organizations when furnished in furtherance of their nonprofit purpose.

3 Section 16.(b) Administration. A tax levied under this section shall be levied,  
4 administered, collected, and repealed as provided in G.S. 160A-215. The penalties  
5 provided in G.S. 160A-215 apply to a tax levied under this section.

6 Section 16.(c) Distribution and use of tax revenue. The town shall, on a quarterly  
7 basis, remit the net proceeds of the occupancy tax to the Troy Tourism Development  
8 Authority. The Authority shall use at least two-thirds of the funds remitted to it under  
9 this subsection to promote travel and tourism in Troy and shall use the remainder for  
10 tourism-related expenditures.

11 The following definitions apply in this subsection:

12 (1) Net proceeds. – Gross proceeds less the cost to the town of  
13 administering and collecting the tax, as determined by the finance  
14 officer, not to exceed three percent (3%) of the first five hundred  
15 thousand dollars (\$500,000) of gross proceeds collected each year and  
16 one percent (1%) of the remaining gross receipts collected each year.

17 (2) Promote travel and tourism. – To advertise or market an area or activity,  
18 publish and distribute pamphlets and other materials, conduct market  
19 research, or engage in similar promotional activities that attract tourists  
20 or business travelers to the area; the term includes administrative  
21 expenses incurred in engaging in the listed activities.

22 (3) Tourism-related expenditures. – Expenditures that, in the judgment of  
23 the Authority, are designed to increase the use of lodging facilities,  
24 meeting facilities, or convention facilities in a town or to attract tourists  
25 or business travelers to the town. The term includes tourism-related  
26 capital expenditures.

27 Section 17. Tourism Development Authority. (a) Appointment and membership.  
28 When the Troy Board of Commissioners adopts a resolution levying a room occupancy  
29 tax under this Part, it shall also adopt a resolution creating a town Tourism Development  
30 Authority, which shall be a public authority under the Local Government Budget and  
31 Fiscal Control Act. The resolution shall provide for the membership of the Authority,  
32 including the members' terms of office, and for the filling of vacancies on the Authority.  
33 At least one-third of the members must be individuals who are affiliated with businesses  
34 that collect the tax in the town, and at least three-fourths of the members must be  
35 individuals who are currently active in the promotion of travel and tourism in the town.  
36 The Troy Board of Commissioners shall designate one member of the Authority as chair  
37 and shall determine the compensation, if any, to be paid to members of the Authority.

38 The Authority shall meet at the call of the chair and shall adopt rules of  
39 procedure to govern its meetings. The Finance Officer for Troy shall be the ex officio  
40 finance officer of the Authority.

41 Section 17.(b) Duties. The Authority shall expend the net proceeds of the tax  
42 levied under this Part for the purposes provided in Section 16 of this Part. The Authority

1 shall promote travel, tourism, and conventions in the town, sponsor tourist-related events  
2 and activities in the town, and finance tourist-related capital projects in the town.

3 Section 17.(c) Reports. The Authority shall report quarterly and at the close of the  
4 fiscal year to the Troy Board of Commissioners on its receipts and expenditures for the  
5 preceding quarter and for the year in such detail as the board may require.

6 Section 18. Town administrative provisions. – Section 3 of S.L. 1997-410, as  
7 amended by Section 2 of S.L. 1997-447 and Section 4 of S.L. 1998-112, reads as  
8 rewritten:

9 "Section 3. Municipal Administrative Provisions. G.S. 160A-215, as enacted by S.L.  
10 1997-361 and S.L. 1997-364, applies to the Cities of Goldsboro, Lumberton, Mount Airy,  
11 Shelby, and Statesville, to the ~~Town of~~ Towns of St. Pauls and Troy, and to the  
12 municipalities in Brunswick County."

### 13 PART VII. TOWN OF CARRBORO

14 Section 19. Occupancy tax. (a) Authorization and scope. The governing body  
15 of the Town of Carrboro may levy a room occupancy tax of up to three percent (3%) of  
16 the gross receipts derived from the rental of any room, lodging, or accommodation  
17 furnished by a hotel, motel, inn, tourist camp, or similar place within the town that is  
18 subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in  
19 addition to any State or local sales tax. This tax does not apply to accommodations  
20 furnished by nonprofit charitable, educational, or religious organizations when furnished  
21 in furtherance of their nonprofit purpose.

22 Section 19.(b) Administration. A tax levied under this section shall be levied,  
23 administered, collected, and repealed as provided in G.S. 160A-215. The penalties  
24 provided in G.S. 160A-215 apply to a tax levied under this section.

25 Section 19.(c) Distribution and use of tax revenue. The town shall, on a quarterly  
26 basis, remit the net proceeds of the occupancy tax to the Carrboro Tourism Development  
27 Authority. The Authority shall use at least two-thirds of the funds remitted to it under  
28 this subsection to promote travel and tourism in Carrboro and shall use the remainder for  
29 tourism-related expenditures.

30 The following definitions apply in this subsection:

31 (1) Net proceeds. – Gross proceeds less the cost to the town of  
32 administering and collecting the tax, as determined by the finance  
33 officer, not to exceed three percent (3%) of the first five hundred  
34 thousand dollars (\$500,000) of gross proceeds collected each year and  
35 one percent (1%) of the remaining gross receipts collected each year.

36 (2) Promote travel and tourism. – To advertise or market an area or activity,  
37 publish and distribute pamphlets and other materials, conduct market  
38 research, or engage in similar promotional activities that attract tourists  
39 or business travelers to the area; the term includes administrative  
40 expenses incurred in engaging in the listed activities.

41 (3) Tourism-related expenditures. – Expenditures that, in the judgment of  
42 the governing body of the town, are designed to increase the use of  
43 lodging facilities, meeting facilities, or convention facilities in a town or

1 to attract tourists or business travelers to the town. The term includes  
2 tourism-related capital expenditures.

3 Section 20. Tourism Development Authority. (a) Appointment and membership.  
4 When the governing body of the Town of Carrboro adopts a resolution levying a room  
5 occupancy tax under this Part, it shall also adopt a resolution creating a town Tourism  
6 Development Authority, which shall be a public authority under the Local Government  
7 Budget and Fiscal Control Act. The resolution shall provide for the membership of the  
8 Authority, including the members' terms of office, and for the filling of vacancies on the  
9 Authority. At least one-third of the members must be individuals who are affiliated with  
10 businesses that collect the tax in the town and at least three-fourths of the members must  
11 be individuals who are currently active in the promotion of travel and tourism in the  
12 town. The governing body of the Town of Carrboro shall designate one member of the  
13 Authority as chair and shall determine the compensation, if any, to be paid to members of  
14 the Authority.

15 The Authority shall meet at the call of the chair and shall adopt rules of  
16 procedure to govern its meetings. The Finance Officer for Carrboro shall be the ex  
17 officio finance officer of the Authority.

18 Section 20.(b) Duties. The Authority shall expend the net proceeds of the tax  
19 levied under this Part for the purposes provided in Section 20 of this Part. The Authority  
20 shall promote travel, tourism, and conventions in the town, sponsor tourist-related events  
21 and activities in the town, and finance tourist-related capital projects in the town.

22 Section 20.(c) Reports. The Authority shall report quarterly and at the close of the  
23 fiscal year to the governing body of the Town of Carrboro on its receipts and  
24 expenditures for the preceding quarter and for the year in such detail as the board may  
25 require.

26 Section 21. Town administrative provisions. – Section 3 of S.L. 1997-410, as  
27 amended by Section 2 of S.L. 1997-447 and Section 4 of S.L. 1998-112, reads as  
28 rewritten:

29 "Section 3. Municipal Administrative Provisions. G.S. 160A-215, as enacted by S.L.  
30 1997-361 and S.L. 1997-364, applies to the Cities of Goldsboro, Lumberton, Mount Airy,  
31 Shelby, and Statesville, to the ~~Town of St. Pauls~~ Towns of Carrboro and St. Pauls, and to  
32 the municipalities in Brunswick County."

### 33 PART VIII. CITY OF KINGS MOUNTAIN

34 Section 22. Occupancy tax. (a) Authorization and scope. The City Council of  
35 the City of Kings Mountain may levy a room occupancy tax of up to three percent (3%)  
36 of the gross receipts derived from the rental of any room, lodging, or accommodation  
37 furnished by a hotel, motel, inn, tourist camp, or similar place within the city that is  
38 subject to sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in  
39 addition to any State or local sales tax. This tax does not apply to accommodations  
40 furnished by nonprofit charitable, educational, or religious organizations when furnished  
41 in furtherance of their nonprofit purpose.

1 Section 22.(b) Administration. A tax levied under this section shall be levied,  
2 administered, collected, and repealed as provided in G.S. 160A-215. The penalties  
3 provided in G.S. 160A-215 apply to a tax levied under this section.

4 Section 22.(c) Distribution and use of tax revenue. The city shall, on a quarterly  
5 basis, remit the net proceeds of the occupancy tax to the Kings Mountain Tourism  
6 Development Authority. The Authority shall use at least two-thirds of the funds remitted  
7 to it under this subsection to promote travel and tourism in Kings Mountain and shall use  
8 the remainder for tourism-related expenditures.

9 The following definitions apply in this subsection:

10 (1) Net proceeds. – Gross proceeds less the cost to the city of administering  
11 and collecting the tax, as determined by the finance officer, not to  
12 exceed three percent (3%) of the first five hundred thousand dollars  
13 (\$500,000) of gross proceeds collected each year and one percent (1%)  
14 of the remaining gross receipts collected each year.

15 (2) Promote travel and tourism. – To advertise or market an area or activity,  
16 publish and distribute pamphlets and other materials, conduct market  
17 research, or engage in similar promotional activities that attract tourists  
18 or business travelers to the area; the term includes administrative  
19 expenses incurred in engaging in the listed activities.

20 (3) Tourism-related expenditures. – Expenditures that, in the judgment of  
21 the Authority, are designed to increase the use of lodging facilities,  
22 meeting facilities, or convention facilities in a city or to attract tourists  
23 or business travelers to the city. The term includes tourism-related  
24 capital expenditures.

25 Section 23. Tourism Development Authority. (a) Appointment and membership.  
26 When the Kings Mountain City Council adopts a resolution levying a room occupancy  
27 tax under this Part, it shall also adopt a resolution creating a city Tourism Development  
28 Authority, which shall be a public authority under the Local Government Budget and  
29 Fiscal Control Act. The resolution shall provide for the membership of the Authority,  
30 including the members' terms of office, and for the filling of vacancies on the Authority.  
31 At least one-third of the members must be individuals who are affiliated with businesses  
32 that collect the tax in the city, and at least three-fourths of the members must be  
33 individuals who are currently active in the promotion of travel and tourism in the city.  
34 The Kings Mountain City Council shall designate one member of the Authority as chair  
35 and shall determine the compensation, if any, to be paid to members of the Authority.

36 The Authority shall meet at the call of the chair and shall adopt rules of  
37 procedure to govern its meetings. The Finance Officer for Kings Mountain shall be the  
38 ex officio finance officer of the Authority.

39 Section 23.(b) Duties. The Authority shall expend the net proceeds of the tax  
40 levied under this Part for the purposes provided in Section 19 of this Part. The Authority  
41 shall promote travel, tourism, and conventions in the city, sponsor tourist-related events  
42 and activities in the city, and finance tourist-related capital projects in the city.

1 Section 23.(c) Reports. The Authority shall report quarterly and at the close of the  
2 fiscal year to the Kings Mountain City Council on its receipts and expenditures for the  
3 preceding quarter and for the year in such detail as the council may require.

4 Section 24. City administrative provisions. – Section 3 of S.L. 1997-410, as  
5 amended by Section 2 of S.L. 1997-447 and Section 4 of S.L. 1998-112, reads as  
6 rewritten:

7 "Section 3. Municipal Administrative Provisions. G.S. 160A-215, as enacted by S.L.  
8 1997-361 and S.L. 1997-364, applies to the Cities of Goldsboro, Kings Mountain,  
9 Lumberton, Mount Airy, Shelby, and Statesville, to the Town of St. Pauls and to the  
10 municipalities in Brunswick County."

11 PART IX. EFFECTIVE DATES

12 Section 25. This act is effective when it becomes law.