

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE DRH80610-MCx-38 (5/17)

Short Title: Robeson County Occupancy Tax. (Local)

Sponsors: Representatives Sutton, Pierce, and Yongue (Primary Sponsors).

Referred to:

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE ROBESON COUNTY TO LEVY A ROOM
OCCUPANCY TAX.

The General Assembly of North Carolina enacts:

SECTION 1. Occupancy tax. – (a) Authorization and Scope. – The Board of Commissioners of Robeson County may levy a room occupancy tax of up to three percent (3%) 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. – Except as provided in this section, a tax levied under this section shall be levied, administered, collected, and repealed as provided in G.S. 160A-215. Notwithstanding the provisions of G.S. 160A-215(b), a room occupancy tax may not be levied under this act until after the Board of Commissioners holds two public hearings on the matter, each with not less than 10 days' public notice. The penalties provided in G.S. 160A-215 apply to a tax levied under this section.

SECTION 1.(c) Definitions. – The following definitions apply in this subsection:

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

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

6 (3) Tourism-related expenditures. – Expenditures that, in the judgment of
7 Robeson County Tourism Development Authority, are designed to
8 increase the use of lodging facilities, meeting facilities, or convention
9 facilities in the county or to attract tourists or business travelers to the
10 county. The term includes tourism-related capital expenditures.

11 **SECTION 1.(d)** Distribution of Tax Revenue. – Robeson County shall, on a
12 quarterly basis, remit the net proceeds of the occupancy tax to the Robeson County
13 Tourism Development Authority.

14 **SECTION 1.(e)** Use of Tax Revenue. – The Authority shall use the funds
15 remitted to it under this subsection to purchase land and finance, construct, and operate
16 a multipurpose horse arena on the site of the Southeastern Agricultural Center and
17 Farmer's Market.

18 **SECTION 1.(f)** Limitation. – No room occupancy tax may be levied under
19 this act until Robeson County and the State contract to transfer real property located at
20 the site of the Southeastern Agricultural Center and Farmer's Market to Robeson County
21 for the purpose of constructing a multipurpose horse arena complex on that site. A
22 room occupancy tax levied under this Article may not be implemented before the later
23 of the first day of the year following the year in which two public hearings occur or the
24 first day of the year following the year in which Robeson County and the State contract
25 to transfer the real property described within this subsection. The tax authorized by this
26 act shall expire on the first day of the first month following completed payment for the
27 land and construction and financing costs of the multipurpose horse arena complex.

28 **SECTION 2.** Tourism Development Authority. – (a) Appointment and
29 Membership. – When the Board of Commissioners adopts a resolution levying a room
30 occupancy tax under this act, it shall also adopt a resolution creating the Robeson
31 County Tourism Development Authority, which shall be a public authority under the
32 Local Government Budget and Fiscal Control Act. The resolution shall provide for the
33 membership of the Authority, including the members' terms of office, and for the filling
34 of vacancies on the Authority. At least one-third of the members shall be individuals
35 who are affiliated with businesses that collect the tax in the county, and at least one-half
36 of the members shall be individuals who are currently active in the promotion of travel
37 and tourism in the county. The Board of Commissioners shall designate one member of
38 the Authority as chair and shall determine the compensation, if any, to be paid to
39 members of the Authority.

40 The Authority shall meet at the call of the chair and shall adopt rules of
41 procedure to govern its meetings. The Finance Officer for Robeson County shall be the
42 ex officio finance officer of the Authority.

43 **SECTION 2.(b)** Duties. – The Authority shall expend the net proceeds of
44 the tax levied under this act for the purposes provided in Section 1 of this act. The

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

4 **SECTION 2.(c)** Reports. – The Authority shall report quarterly and at the
5 close of the fiscal year to the Robeson County Board of Commissioners on its receipts
6 and expenditures for the preceding quarter and for the year in such detail as the Board of
7 Commissioners may require.

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