

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023

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HOUSE BILL 353

Short Title: Wilkes County Occupancy Tax. (Local)

Sponsors: Representative Elmore.

For a complete list of sponsors, refer to the North Carolina General Assembly web site.

Referred to: Local Government, if favorable, Finance, if favorable, Rules, Calendar, and Operations of the House

March 14, 2023

A BILL TO BE ENTITLED

AN ACT TO REPEAL THE OCCUPANCY TAXES FOR THE TOWN OF WILKESBORO AND WILKES COUNTY DISTRICT K, TO ALLOW WILKES COUNTY TO LEVY AN OCCUPANCY TAX OF SIX PERCENT, AND TO CREATE THE WILKES COUNTY TOURISM DEVELOPMENT AUTHORITY.

The General Assembly of North Carolina enacts:

SECTION 1. Part IX of S.L. 2001-439 is repealed.

SECTION 2. Sections 8 and 9 of S.L. 2010-78 are repealed.

SECTION 3. Occupancy tax. – (a) Authorization and Scope. – The Wilkes County Board of Commissioners may levy a room occupancy tax of up to six percent (6%) of the gross receipts derived from the rental of an accommodation 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.

SECTION 3.(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 – A tax levied under this section shall be levied, administered, collected, and repealed as provided in G.S. 153A-155.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 3.(c) Distribution and Use of Tax Revenue. – Wilkes County shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Wilkes County Tourism Development Authority. The Authority shall use at least two-thirds of the funds to promote travel and tourism and shall use the remainder for tourism-related expenditures in the county.

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 receipts collected each year.

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

(3) Tourism-related expenditures. – Expenditures that, in the judgment of the Tourism Development Authority, are designed to increase the use of accommodations, meeting facilities, or convention facilities in the county or



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

3 **SECTION 4. Tourism Development Authority. – (a) Appointment and Membership.**

4 – When the Wilkes County Board of Commissioners adopts a resolution levying a room
5 occupancy tax under this act, it shall also adopt a resolution creating a county Tourism
6 Development Authority, which shall be a public authority under the Local Government Budget
7 and Fiscal Control Act. The resolution shall provide for the membership of the Authority,
8 including the members' terms of office, and for the filling of vacancies on the Authority. The
9 county Tourism Development Authority shall consist of the following members:

- 10 (1) Two members appointed by the Wilkes County Board of Commissioners, one
11 of whom must be an individual affiliated with a business that collects taxes in
12 the county and another who must be an individual currently active in the
13 promotion of travel and tourism in the county.
14 (2) Two members appointed by the Wilkesboro Town Council, one of whom must
15 be an individual affiliated with a business that collects taxes in Wilkesboro
16 and another who must be an individual currently active in the promotion of
17 travel and tourism in Wilkesboro.
18 (3) One member appointed by the North Wilkesboro Board of Commissioners
19 who is (i) an individual affiliated with a business that collects taxes in North
20 Wilkesboro or (ii) an individual currently active in the promotion of travel and
21 tourism in North Wilkesboro.
22 (4) One member appointed by the Ronda Board of Commissioners who is (i) an
23 individual affiliated with a business that collects taxes in Ronda or (ii) an
24 individual currently active in the promotion of travel and tourism in Ronda.

25 The county Tourism Development Authority may, by majority vote, appoint two
26 additional members to the Authority as follows:

- 27 (5) At least one of any additional members appointed to the Authority under this
28 section must be an individual affiliated with a business that collects taxes in
29 Wilkes County or a municipality within Wilkes County.
30 (6) Any additional member appointed to the Authority must be (i) an individual
31 affiliated with a business that collects taxes in Wilkes County or a
32 municipality within Wilkes County or (ii) an individual currently active in the
33 promotion of travel and tourism in Wilkes County or a municipality within
34 Wilkes County.

35 The Wilkes County Board of Commissioners shall designate one member of the
36 Authority as chair and shall determine the compensation, if any, to be paid to members of the
37 Authority. The Authority shall meet at the call of the chair and shall adopt rules of procedure to
38 govern its meetings. The Finance Officer for Wilkes County shall be the ex officio finance officer
39 of the Authority.

40 **SECTION 4.(b) Duties. –** The Authority shall expend the net proceeds of the tax
41 levied under this act for promoting travel and tourism and for tourism-related expenditures as
42 provided in this act.

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

46 **SECTION 5. G.S. 153A-155(g) reads as rewritten:**

47 "(g) Applicability. – Subsection (c) of this section applies to all counties and county
48 districts that levy an occupancy tax. To the extent subsection (c) conflicts with any provision of
49 a local act, subsection (c) supersedes that provision. The remainder of this section applies only
50 to Alleghany, Anson, Brunswick, Buncombe, Burke, Cabarrus, Camden, Carteret, Caswell,
51 Chatham, Cherokee, Chowan, Clay, Craven, Cumberland, Currituck, Dare, Davie, Duplin,

1 Durham, Edgecombe, Forsyth, Franklin, Graham, Granville, Halifax, Haywood, Henderson,
2 Jackson, Madison, Martin, McDowell, Mitchell, Montgomery, Moore, Nash, New Hanover,
3 Northampton, Pasquotank, Pender, Perquimans, Person, Randolph, Richmond, Rockingham,
4 Rowan, Rutherford, Sampson, Scotland, Stanly, Swain, Transylvania, Tyrrell, Vance,
5 Washington, Wayne, and Wilson Counties, to Harnett County District H, New Hanover County
6 District U, Surry County District S, Watauga County District U, ~~Wilkes County District K,~~
7 County, Yadkin County District Y, and the Township of Averasboro in Harnett County and the
8 Ocracoke Township Taxing District."

9 **SECTION 6.** G.S. 160A-215(g) reads as rewritten:

10 "(g) Applicability. – Subsection (c) of this section applies to all cities that levy an
11 occupancy tax. To the extent subsection (c) conflicts with any provision of a local act, subsection
12 (c) supersedes that provision. The remainder of this section applies only to Beech Mountain
13 District W, to the Cities of Belmont, Conover, Eden, Elizabeth City, Gastonia, Goldsboro,
14 Greensboro, Hickory, High Point, Jacksonville, Kings Mountain, Lake Santeetlah, Lenoir,
15 Lexington, Lincolnton, Lowell, Lumberton, Monroe, Mount Airy, Mount Holly, Reidsville,
16 Roanoke Rapids, Salisbury, Sanford, Shelby, Statesville, Washington, and Wilmington, to the
17 Towns of Ahoskie, Beech Mountain, Benson, Bermuda Run, Blowing Rock, Boiling Springs,
18 Boone, Burgaw, Carolina Beach, Carrboro, Cooleemee, Cramerton, Dallas, Dobson, Elkin,
19 Fontana Dam, Franklin, Grover, Hillsborough, Jonesville, Kenly, Kure Beach, Leland,
20 McAdenville, Mocksville, Mooresville, Murfreesboro, North Topsail Beach, Pembroke, Pilot
21 Mountain, Ranlo, Robbinsville, Selma, Smithfield, St. Pauls, Swansboro, Troutman, Tryon, West
22 Jefferson, ~~Wilkesboro~~, ~~Wrightsville Beach~~, Yadkinville, Yanceyville, to the municipalities in
23 Avery and Brunswick Counties, and to Saluda District D."

24 **SECTION 7.** The governing body of Wilkes County District K, the Wilkes County
25 Board of Commissioners, the Wilkesboro Town Council, the North Wilkesboro Board of
26 Commissioners, and the Ronda Board of Commissioners shall adopt any resolutions or modify
27 any adopted resolutions, as needed, to carry out the provisions of this act.

28 **SECTION 8.** This act does not affect the rights or liabilities of the State, a taxpayer,
29 or another person arising under a statute amended by this act before the effective date of its
30 amendment, nor does it affect the right to any refund or credit of a tax that accrued under the
31 amended statute before the effective date of its amendment.

32 **SECTION 9.** Section 1 of this act becomes effective July 1, 2023. The remainder of
33 this act is effective when it becomes law.