

1 (4) Two-cent (2¢) sales taxes. – The first one-cent (1¢) sales and use tax
2 authorized in Article 39 of this Chapter and in Chapter 1096 of the
3 1967 Session Laws, the first one-half cent (½¢) local sales and use tax
4 authorized in Article 40 of this Chapter, and the second one-half cent
5 (½¢) local sales and use tax authorized in Article 42 of this Chapter.

6 (b) Distributions.—2002-2003 Distribution. – On or before September 15, 2002,
7 the Secretary must multiply each local government's local sales tax share by the sum of
8 three hundred nine million ten thousand six hundred sixty-seven dollars (\$309,010,667).
9 If the resulting amount is less than one hundred percent (100%) of the local
10 government's repealed reimbursement amount, the Secretary must pay the local
11 government the difference, but not less than one hundred dollars (\$100.00).

12 (b1) Subsequent Distributions. – On or before September 15, 2003, and each
13 September 15 thereafter, the Secretary must multiply each local government's local sales
14 tax share by the estimated amount that all local governments would be expected to
15 receive during the current fiscal year under G.S. 105-520 if every county levied the tax
16 under this Article for the year. If the resulting amount is less than one hundred percent
17 (100%) of the local government's repealed reimbursement amount, the Secretary must
18 pay the local government the difference, but not less than one hundred dollars
19 (\$100.00).

20 On or before May 1, 2003, and each May 1 thereafter, the Office of State Budget
21 and Management and the Fiscal Research Division of the General Assembly must each
22 submit to the Secretary and to the General Assembly a final projection of the estimated
23 amount that all local governments would be expected to receive during the upcoming
24 fiscal year under G.S. 105-520 if every county levied the tax under this Article for the
25 fiscal year. If the Secretary does not use the lower of the two final projections to make
26 the calculation required by this subsection, the Secretary must report the reasons for this
27 decision to the Joint Legislative Commission on Governmental Operations within 60
28 days after receiving the projections.

29 (c) Source of Funds. – The Secretary must draw the funds distributed under this
30 section from sales and use tax collections under Article 5 of this Chapter.

31 (d) Reports. – The Secretary must report to the Revenue Laws Study Committee
32 by January 31, ~~2004,2003~~, and each January 31 thereafter, the amount distributed under
33 this section for the current fiscal year."

34 **SECTION 4.** Section 34.14(b) of S.L. 2001-424 reads as rewritten:

35 "**SECTION 34.14.(b)** Notwithstanding the provisions of G.S. 105-466(c), a tax
36 levied during the ~~2003–2002~~ calendar year under Article 44 of Chapter 105 of the
37 General Statutes, as enacted by this act, may become effective on the first day of any
38 calendar month during 2002 beginning on or after ~~July 1, 2003.~~August 1, 2002.
39 Notwithstanding the provisions of G.S. 105-466(c), if a county levies a tax during the
40 ~~2003–2002~~ calendar year under Article 44 of Chapter 105 of the General Statutes, as
41 enacted by this act, that is to become effective on or before January 1, 2003, the county
42 is required to give the Secretary of Revenue ~~only the following notice:~~

43 (1) If the tax is to become effective August 1, 2002, the county must
44 notify the Secretary on or before July 15, 2002.

1 (2) If the tax is to become effective on the first day of any other calendar
2 month beginning on or before January 1, 2003, the county must give
3 the Secretary 30 days' advance notice of the tax levy.

4 For taxes ~~levied on or~~that are to become effective after January 1, ~~2004,2003,~~ the
5 provisions of G.S. 105-466(c) apply."

6 **SECTION 5.** Notwithstanding the provisions of G.S. 105-517(b), a county
7 may levy a tax by resolution that becomes effective on or before January 1, 2003, under
8 Article 44 of Chapter 105 of the General Statutes without giving at least 10 days' public
9 notice of its intent to adopt the resolution and without holding a public hearing on the
10 issue of adopting the resolution.

11 **SECTION 6.** Section 34.15(b) of S.L. 2001-424 reads as rewritten:

12 "**SECTION 34.15.(b)** This section becomes effective July 1, ~~2003,2002.~~"

13 **SECTION 7.** This act is effective when it becomes law.