

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2001

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HOUSE BILL 715

Short Title: Redistribute Mecklenburg Meals Tax.

(Local)

Sponsors: Representatives Gulley; Saunders and Earle (Primary Sponsors).

Referred to: Local Government I.

March 21, 2001

A BILL TO BE ENTITLED

AN ACT TO DISTRIBUTE THE PROCEEDS OF THE MECKLENBURG
PREPARED FOOD TAX AMONG ALL MECKLENBURG COUNTY
MUNICIPALITIES.

The General Assembly of North Carolina enacts:

SECTION 1. Sections 9(a)(2) and 9(a)(3) of Chapter 821 of the 1989
Session Laws read as rewritten:

"Sec. 9. (a) Distribution and Use of Proceeds. The local administrative authority,
acting on its own behalf or as agent for each taxing entity, shall distribute the proceeds
of the taxes levied in this Part as provided in this subsection. The distribution shall be
made by the 20th day of each month following the month in which the tax is collected.

...

(2) Distribution to Charlotte for Convention Center Facilities. After
deducting the amount provided above, the local administrative
authority shall transfer to the City of Charlotte an amount equal to
three percent (3%) of the gross occupancy receipts ~~and the entire plus~~
that part of the net proceeds of the prepared food and beverage tax to
~~the City of Charlotte.~~ not otherwise required to be distributed under
subdivision (3) of this subsection. The net proceeds transferred to the
City of Charlotte pursuant to this subdivision shall be applied in
accordance with the following priorities. No application of any net
proceeds to any class of the priorities set forth below in this
subdivision shall be made until, with respect to each preceding class of
priorities, either all payments for the current fiscal year have been
provided for in full or no such payments are required for the current
fiscal year.

a. To provide for when due payments for the current fiscal year
with respect to any financing for new convention center

1 facilities or for the expansion of existing convention center
2 facilities, which may include off-street parking for use in
3 conjunction with the facilities.

4 b. To pay costs incurred in an aggregate amount not greater than
5 one million five hundred thousand dollars (\$1,500,000) in each
6 fiscal year for marketing and promoting new or expanded
7 convention center facilities.

8 c. To pay other costs of acquiring, constructing, maintaining,
9 operating, marketing, and promoting new or expanded
10 convention center facilities.

11 (3) Distribution to Other Municipalities. After deducting the amounts
12 provided above, the local administrative authority shall determine the
13 amount of the remaining occupancy tax net proceeds and the prepared
14 food and beverage tax net proceeds that were collected from taxable
15 establishments located in each municipality, other than the City of
16 Charlotte. The local administrative authority shall then distribute to
17 each municipality, other than the City of Charlotte, an amount equal to
18 one hundred twenty percent (120%) of the amount of the remaining
19 occupancy tax net proceeds collected in that ~~municipality.~~ municipality
20 and seventy-five percent (75%) of the prepared food and beverage tax
21 net proceeds that were collected in that municipality. These funds may
22 be expended only for acquiring, constructing, financing, maintaining,
23 operating, marketing, and promoting convention centers, civic centers,
24 performing arts centers, coliseums, auditoriums, and museums, for
25 off-street parking for use in conjunction with these facilities, and for
26 tourism and tourism-related programs and activities including art and
27 cultural programs, events, and festivals.

28"

29 **SECTION 2.** This act becomes effective July 1, 2001, and applies to taxes
30 collected on or after that date.