

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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HOUSE BILL 984

Short Title: Roanoke Rapids Entertainment Tax. (Local)

Sponsors: Representatives Allen, Bryant, and Wray (Primary Sponsors).

Referred to: Local Government I, if favorable, Finance.

April 2, 2009

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE CITY OF ROANOKE RAPIDS TO LEVY AN ENTERTAINMENT TAX ON EVENTS IN THE CITY OF ROANOKE RAPIDS.

The General Assembly of North Carolina enacts:

SECTION 1. This act applies to the City of Roanoke Rapids only.

SECTION 2. Authorization and Scope. – Notwithstanding the provisions of G.S. 105-37.1, the City of Roanoke Rapids may, by resolution of the city council, levy an entertainment tax on every admission ticket purchased for admission to an entertainment, an amusement, or an athletic or commercial event that is presented in the city for which an admission fee of five dollars (\$5.00) or more per admission ticket is charged and for which more than 5,000 tickets are available for purchase. The tax shall be at a rate of not more than three dollars (\$3.00) per admission ticket sold. This tax is in addition to any other State or local tax.

SECTION 3. Collection. – Every person, firm, corporation, or organization selling admission tickets taxable under this act shall collect the tax. This tax shall be collected at the same time as the charge for furnishing a taxable admission ticket and shall be paid by the purchaser to the seller of the admission ticket as trustee for and on account of the city. The tax shall be stated and charged separately from the sales price, shall be added to the admission price, and shall be passed on to the purchaser instead of being borne by the seller.

SECTION 4. Administration. – The city shall administer a tax levied under this act. A tax levied and collected under this act is due and payable to the city tax collector on or before the 15th day of the month following the month in which the tax accrues. Every person, firm, corporation, or organization liable for the tax shall, on or before the 15th day of each month, prepare and render a return on a form prescribed by the city. The return shall state the total number of admission tickets subject to the tax that were sold in the preceding month. A tax return filed with the city finance officer is not a public record and may not be disclosed except in accordance with G.S. 160A-208.1. The city may, by resolution of the city council, establish additional procedures for collection, reporting, remittance, and use of a tax levied under this act that are not inconsistent with this act.

SECTION 5. Penalties. – A person, firm, corporation, or organization who fails or refuses to file a tax return required by this act or pay a tax as required by this act is subject to the civil and criminal penalties set by G.S. 105-236 for failure to pay or file a return for State sales and use taxes. The city council has the same authority to waive the penalties for a tax levied under this act that the Secretary of Revenue has to waive the penalties for State sales and use taxes.

SECTION 6. Distribution and Use of Tax Revenue. – The city shall use the net proceeds collected from this tax to reduce any bonded indebtedness incurred by the city to



1 construct or improve the Roanoke Rapids music and entertainment district located on Interstate
2 95. Any amount of the net proceeds in excess of the total expenses relating to the purposes
3 listed in this section may be used to finance public capital improvements and tourism-related
4 marketing and promotion activities that the city determines will facilitate growth and
5 development of the Roanoke Rapids music and entertainment district located on Interstate 95.
6 As used in this act, "net proceeds" means gross proceeds less the cost to the city of
7 administering and collecting tax, as determined by the tax collector.

8 **SECTION 7.** Effective Date of the Levy. – A tax levied under this act shall
9 become effective on the date specified in the resolution levying the tax. That date must be on
10 the first day of a calendar month, however, and may not be earlier than the first day of the
11 second month after the date the resolution is adopted.

12 **SECTION 8.** Repeal or Reduction. – A tax levied under this act may be repealed or
13 reduced by a resolution adopted by the city council. Repeal or reduction of a tax levied under
14 this act shall become effective on the first day of a month and may not become effective until
15 the end of the fiscal year in which the resolution repealing or reducing the tax was adopted.
16 Repeal or reduction of a tax levied under this act does not affect a liability for a tax that was
17 attached before the effective date of the repeal or reduction, nor does it affect a right to a refund
18 of a tax that accrued before the effective date of the repeal or reduction.

19 **SECTION 9.** This act is effective when it becomes law.