

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2009**

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SENATE DRS65053-SVx-23E* (05/19)

Short Title: Wilkes County Occupancy Tax. (Local)

Sponsors: Senator Goss (By Request).

Referred to:

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE WILKES COUNTY TO LEVY A THREE PERCENT ROOM
3 OCCUPANCY TAX.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Occupancy tax. – (a) Authorization and Scope. – The Wilkes County
6 Board of Commissioners may levy a room occupancy tax of up to three percent (3%) of the
7 gross receipts derived from the rental of any room, lodging, or accommodation furnished by a
8 hotel, motel, inn, tourist camp, or similar place within the county that is subject to sales tax
9 imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local
10 sales tax. This tax does not apply to accommodations furnished by nonprofit charitable,
11 educational, or religious organizations when furnished in furtherance of their nonprofit
12 purpose.

13 **SECTION 1.(b)** Administration. – A tax levied under this section shall be levied,
14 administered, collected, and repealed as provided in G.S. 153A-155. The penalties provided in
15 G.S. 153A-155 apply to a tax levied under this section.

16 **SECTION 1.(c)** Distribution and Use of Tax Revenue. – Wilkes County shall, on a
17 quarterly basis, remit the net proceeds of the occupancy tax to the Wilkes County Tourism
18 Development Authority. The Authority shall use at least two-thirds of the funds remitted to it
19 under this subsection to promote travel and tourism in the county and shall use the remainder
20 for tourism-related expenditures.

21 The following definitions apply in this subsection:

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

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

32 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the
33 Wilkes County Tourism Development Authority, are designed to increase
34 the use of lodging facilities, meeting facilities, or convention facilities in the



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

3 **SECTION 2.** Tourism Development Authority. – (a) Appointment and
4 Membership. – When the Board of Commissioners adopts a resolution levying a room
5 occupancy tax under this act, it shall also adopt a resolution creating the Wilkes County
6 Tourism Development Authority, which shall be a public authority under the Local
7 Government Budget and Fiscal Control Act. The resolution shall provide for the membership of
8 the Authority, including the members' terms of office, and for the filling of vacancies on the
9 Authority. At least one-third of the members shall be individuals who are affiliated with
10 businesses that collect the tax in the county, and at least one-half of the members shall be
11 individuals who are currently active in the promotion of travel and tourism in the county. The
12 Board of Commissioners shall designate one member of the Authority as chair and shall
13 determine the compensation, if any, to be paid to members of the Authority.

14 The Authority shall meet at the call of the chair and shall adopt rules of procedure to
15 govern its meetings. The finance officer for Wilkes County shall be the ex officio finance
16 officer of the Authority.

17 **SECTION 2.(b)** Duties. – The Authority shall expend the net proceeds of the tax
18 levied under this act for the purposes provided in Section 1 of this act. The Authority shall
19 promote travel, tourism, and conventions in the county, sponsor tourist-related events and
20 activities in the county, and finance tourist-related capital projects in the county.

21 **SECTION 2.(c)** Reports. – The Authority shall report quarterly and at the close of
22 the fiscal year to the Wilkes County Board of Commissioners on its receipts and expenditures
23 for the preceding quarter and for the year in such detail as the Board of Commissioners may
24 require.

25 **SECTION 3.** G.S. 153A-155(g) reads as rewritten:

26 "(g) This section applies only to Alleghany, Anson, Brunswick, Buncombe, Burke,
27 Cabarrus, Camden, Carteret, Caswell, Chatham, Cherokee, Chowan, Clay, Craven,
28 Cumberland, Currituck, Dare, Davie, Duplin, Durham, Forsyth, Franklin, Granville, Halifax,
29 Haywood, Madison, Martin, McDowell, Montgomery, Nash, New Hanover, New Hanover
30 County District U, Northampton, Pasquotank, Pender, Perquimans, Person, Randolph,
31 Richmond, Rockingham, Rowan, Sampson, Scotland, Stanly, Swain, Transylvania, Tyrrell,
32 Vance, Washington, Wilkes, and Wilson Counties, to Watauga County District U, to Yadkin
33 County District Y, and to the Township of Averagesboro in Harnett County and the Ocracoke
34 Township Taxing District."

35 **SECTION 4.** This act is effective when it becomes law.