

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2011

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HOUSE DRH50103-MEx-43A\* (02/24)

Short Title: Roanoke Rapids Local Option Sales Tax. (Local)

Sponsors: Representative Bryant.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE THE CITY OF ROANOKE RAPIDS TO LEVY A ONE CENT  
3 LOCAL SALES AND USE TAX TO REPAY TAX INCREMENT FINANCING BONDS.  
4 The General Assembly of North Carolina enacts:

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

6 SECTION 2. Subchapter VIII of Chapter 105 of the General Statutes is amended  
7 by adding a new Article to read:

8 "Article 47.

9 "One Cent (1¢) Municipality Sales and Use Tax.

10 "**§ 105-539. Short title.**

11 This Article is the One Cent (1¢) Municipality Sales and Use Tax.

12 "**§ 105-540. Levy.**

13 (a) Authority. – If the majority of those voting in a referendum held pursuant to this  
14 Article vote for the levy of the tax, the city council may, by resolution and after 10 days' public  
15 notice, levy a local sales and use tax at a rate of one percent (1%).

16 (b) Vote. – The city council may direct the county board of elections to conduct an  
17 advisory referendum on the question of whether to levy a local sales and use tax in the county  
18 as provided in this Article. The election shall be held on a date jointly agreed upon by the city  
19 council and the board of elections and shall be held in accordance with the procedures of  
20 G.S. 163-287.

21 (c) Ballot Question. – The form of the question to be presented on a ballot for a special  
22 election concerning the levy of the tax authorized by this Article shall be:

23 [ ] FOR [ ] AGAINST

24 Local sales and use tax at the rate of one percent (1%) in addition to all other State and  
25 local sales and use taxes for the sole purpose of repaying debt related to [insert name of  
26 project].'

27 "**§ 105-541. Administration.**

28 Except as provided in this Article, the adoption, levy, collection, administration, and repeal  
29 of the additional taxes authorized by this Article shall be in accordance with Article 39 of this  
30 Chapter. References to 'county' or 'counties' within Article 39 of this Chapter shall be  
31 interpreted as referring to 'municipality' or 'municipalities,' respectively, for purposes of the tax  
32 authorized by this Article.

33 "**§ 105-542. Distribution and use of taxes.**

34 (a) Distribution. – The Secretary shall, on a monthly basis, distribute to each taxing  
35 municipality for which the Secretary collects the tax the net proceeds of the tax collected in that



1 municipality under this Article. If the Secretary collects local sales or use taxes in a month and  
2 the taxes cannot be identified as being attributable to a particular taxing municipality, the  
3 Secretary shall allocate the taxes among the taxing municipalities in proportion to the amount  
4 of taxes collected in each municipality under this Article during that month and shall include  
5 them in the monthly distribution. Amounts collected by electronic funds transfer payments are  
6 included in the distribution for the month in which the return that applies to the payment is  
7 received.

8 (b) Use. – A municipality may use the net proceeds of a tax levied under this Article  
9 only for the repayment of tax increment financing bonds for the project listed on the ballot  
10 initiative.

11 **"§ 105-543. Expiration.**

12 (a) A tax levied under this Article expires upon the repayment of the tax increment  
13 financing bonds for the project listed on the ballot initiative that existed as of the date of the  
14 ballot initiative.

15 (b) The expiration of a tax pursuant to this Article does not affect the rights or liabilities  
16 of a municipality, a taxpayer, or another person arising under the expired tax; nor does it affect  
17 the right to any refund or credit of a tax that would otherwise have been available under the  
18 expired tax before its expiration.

19 (c) If the Secretary receives a valid request for a refund of a tax levied under this  
20 Article after the tax has expired and the net proceeds have been distributed, the Secretary shall  
21 draw the refund from the taxing municipality's share of the net proceeds of the tax it levies  
22 under Article 39 of this Chapter or under Chapter 1096 of the 1967 Session Laws, as  
23 applicable.

24 **SECTION 3.** This act is effective when it becomes law.