

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

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HOUSE BILL 1017  
Committee Substitute Favorable 6/6/18

Short Title: Moore/Stanly Local Sales Tax Use Restriction.

(Local)

Sponsors:

Referred to:

May 28, 2018

1 A BILL TO BE ENTITLED  
2 AN ACT TO MODIFY THE QUARTER-CENT LOCAL OPTION SALES TAX FOR MOORE  
3 AND STANLY COUNTIES.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.(a)** This section applies to Moore County only.

6 **SECTION 1.(b)** G.S. 105-537(c) reads as rewritten:

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

9 "[ ] FOR [ ] AGAINST

10 Local sales and use tax at the rate of one-quarter (1/4) of one percent (~~0.25%~~)(1%) in addition  
11 to all other State and local sales and use ~~taxes-taxes, to be used only for public school~~  
12 construction, repair, and renovation purposes. For example, tax on a purchase of one hundred  
13 dollars (\$100.00) would be an extra twenty-five cents (25¢)."

14 **SECTION 1.(c)** G.S. 105-538 reads as rewritten:

15 "**§ 105-538. Administration and use of taxes.**

16 (a) Administration. – The Secretary shall, on a monthly basis, allocate to each taxing  
17 county the net proceeds of the tax levied under this Article. If the Secretary collects taxes under  
18 this Article in a month and the taxes cannot be identified as being attributable to a particular  
19 taxing county, the Secretary must allocate the net proceeds of these taxes among the taxing  
20 counties in proportion to the amount of taxes collected in each county under this Article in that  
21 month. For purposes of this Article, the term "net proceeds" has the same meaning as defined in  
22 G.S. 105-472.

23 Except as provided in this Article, the adoption, levy, collection, administration, and repeal  
24 of these additional taxes must be in accordance with Article 39 of this Chapter. G.S. 105-468.1  
25 is an administrative provision that applies to this Article. A tax levied under this Article does not  
26 apply to the sales price of food that is exempt from tax pursuant to G.S. 105-164.13B or to the  
27 sales price of a bundled transaction taxable pursuant to G.S. 105-467(a)(5a). The Secretary shall  
28 not divide the amount allocated to a county between the county and the municipalities within the  
29 county.

30 (b) Use. – A county may use funds received under this Article only for funding public  
31 school construction, repair, and renovation purposes. A county shall use funds to supplement and  
32 not to supplant or replace existing funds or other resources for public school construction."

33 **SECTION 2.(a)** This section applies to Stanly County only.

34 **SECTION 2.(b)** G.S. 105-537(c) reads as rewritten:

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



"[ ] FOR [ ] AGAINST

Local sales and use tax at the rate of one-quarter (1/4) of one percent (~~0.25%~~)(1%) in addition to all other State and local sales and use ~~taxes~~ taxes, to be used only for public education purposes. For example, tax on a purchase of one hundred dollars (\$100.00) would be an extra twenty-five cents (25¢)."

**SECTION 2.(c)** G.S. 105-538 reads as rewritten:

"§ 105-538. **Administration and use of taxes.**

(a) Administration. – The Secretary shall, on a monthly basis, allocate to each taxing county the net proceeds of the tax levied under this Article. If the Secretary collects taxes under this Article in a month and the taxes cannot be identified as being attributable to a particular taxing county, the Secretary must allocate the net proceeds of these taxes among the taxing counties in proportion to the amount of taxes collected in each county under this Article in that month. For purposes of this Article, the term "net proceeds" has the same meaning as defined in G.S. 105-472.

Except as provided in this Article, the adoption, levy, collection, administration, and repeal of these additional taxes must be in accordance with Article 39 of this Chapter. G.S. 105-468.1 is an administrative provision that applies to this Article. A tax levied under this Article does not apply to the sales price of food that is exempt from tax pursuant to G.S. 105-164.13B or to the sales price of a bundled transaction taxable pursuant to G.S. 105-467(a)(5a). The Secretary shall not divide the amount allocated to a county between the county and the municipalities within the county.

(b) Use. – A county may use funds received under this Article only for funding public education. A county shall use funds to supplement and not to supplant or replace existing funds or other resources for public education."

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