

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

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SENATE BILL 384

Short Title: Granville County Occupancy Tax Modifications. (Local)

Sponsors: Senator Berger of Franklin.

Referred to: Finance.

February 28, 2007

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE GRANVILLE COUNTY TO LEVY AN ADDITIONAL
3 ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Section 1 of Chapter 454 of the 1993 Session Laws, as
6 amended by S.L. 2000-103, is amended by adding a new subsection to read:

7 "(a1) Authorization of additional tax. In addition to the tax authorized by
8 subsection (a) of this section, the Granville County Board of Commissioners may levy
9 an additional room occupancy tax of up to one percent (1%) of the gross receipts
10 derived from the rental of accommodations taxable under subsection (a) of this section.
11 The levy, collection, administration, and repeal of the tax authorized by this subsection
12 shall be in accordance with the provisions of this section. Granville County may not
13 levy a tax under this subsection unless it also levies the tax authorized under subsection
14 (a) of this section."

15 **SECTION 2.** Section 1(e) of Chapter 454 of the 1993 Session Laws, as
16 amended by S.L. 2000-103, reads as rewritten:

17 "(e) Distribution and Use of Tax Revenue.

18 The county shall, on a quarterly basis, remit the net proceeds of the occupancy tax to
19 the Granville County Tourism Development Authority. The Authority shall use at least
20 two-thirds of the funds remitted to it under this subsection ~~to promote travel and tourism~~
21 ~~in for financing capital expenditures for tourism-related projects in Granville County and~~
22 ~~shall use the remainder for tourism-related expenditures to promote travel and tourism.~~

23 The following definitions apply in this subsection:

- 24 (1) Net proceeds. – Gross proceeds less the cost to the county of
25 administering and collecting the tax, as determined by the finance
26 officer, not to exceed three percent (3%) of the gross proceeds.
- 27 (2) Promote travel and tourism. – To advertise or market an area or
28 activity, publish and distribute pamphlets and other materials, conduct
29 market research, or engage in similar promotional activities that attract

1 tourists or business travelers to the county. The term includes
2 administrative expenses incurred in engaging in the listed activities.

- 3 (3) Tourism-related expenditures. – Expenditures that, in the judgment of
4 the Authority, are designed to increase the use of lodging facilities in
5 the county or to attract tourists or business travelers to the county. The
6 term includes tourism-related capital expenditures."

7 **SECTION 3.** Section 1(e) of Chapter 454 of the 1993 Session Laws, as
8 amended by S.L. 2000-103, and as amended by Section 2 of this act, reads as rewritten:

9 "(e) Distribution and Use of Tax Revenue.

10 The county shall, on a quarterly basis, remit the net proceeds of the occupancy tax to
11 the Granville County Tourism Development Authority. The Authority shall use at least
12 two-thirds of the funds remitted to it under this subsection ~~for financing capital~~
13 ~~expenditures for tourism-related projects~~ to promote travel and tourism in Granville
14 County and shall use the remainder ~~to promote travel and tourism~~ for tourism-related
15 expenditures.

16 The following definitions apply in this subsection:

- 17 (1) Net proceeds. – Gross proceeds less the cost to the county of
18 administering and collecting the tax, as determined by the finance
19 officer, not to exceed three percent (3%) of the gross proceeds.
- 20 (2) Promote travel and tourism. – To advertise or market an area or
21 activity, publish and distribute pamphlets and other materials, conduct
22 market research, or engage in similar promotional activities that attract
23 tourists or business travelers to the county. The term includes
24 administrative expenses incurred in engaging in the listed activities.
- 25 (3) Tourism-related expenditures. – Expenditures that, in the judgment of
26 the Authority, are designed to increase the use of lodging facilities in
27 the county or to attract tourists or business travelers to the county. The
28 term includes tourism-related capital expenditures."

29 **SECTION 4.** Sections 1 and 4 are effective when they become law, and a
30 tax levied under Section 1 may not become effective before October 1, 2004. Section 2
31 of this act becomes effective October 1, 2007, and applies to taxes paid on or after that
32 date. The remainder of this act becomes effective October 1, 2014, and applies to taxes
33 paid on or after that date.