

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007**

S

2

**SENATE BILL 465
Finance Committee Substitute Adopted 3/15/07**

Short Title: Amend Carteret County Occupancy Tax.

(Local)

Sponsors:

Referred to:

March 5, 2007

A BILL TO BE ENTITLED

AN ACT TO AMEND THE DEADLINE FOR THE DEVELOPMENT OF A
CONVENTION CENTER PLAN FOR CARTERET COUNTY.

The General Assembly of North Carolina enacts:

SECTION 1. Section 4(b) of S.L. 2001-381 reads as rewritten:

"SECTION 4.(b) If the conditions in subdivisions (1) and (2) of Section 5 of this act are not met, or the additional occupancy tax authorized by Section 5 is not levied, or the additional occupancy tax authorized by Section 5 sunsets as provided in Section 5, this section becomes effective ~~July 1, 2010.~~July 1, 2014. Otherwise, this section does not go into effect."

SECTION 2. Section 5 of S.L. 2001-381, as amended by S.L. 2005-120 and S.L. 2005-435, reads as rewritten:

"SECTION 5. Additional occupancy tax. – In addition to the occupancy tax authorized by Section 2 of this act, the Board of Commissioners of Carteret County may levy an additional room occupancy and tourism development tax of one percent (1%) of the gross receipts derived from the rental of accommodations taxable under Section 2 of this act if the following conditions have been met:

- (1) A development plan for the construction of a convention center has been approved by resolution of the board of county commissioners and the governing board of the municipality where the center is to be located by June 30, ~~2008;~~2010; and
- (2) There is a signed contract between the appropriate local governments and a private developer that includes financing commitments for construction to begin no later than July 1, ~~2009.~~2011.

The tax authorized by this section may not become effective earlier than July 1, ~~2008.~~2010. The county may not levy a tax under this section unless it also levies the tax under Section 2 of this act. The levy, collection, administration, and repeal of the tax authorized by this section shall be in accordance with Section 2 of this act.

1 If the conditions in subdivisions (1) and (2) of this section have been met and the
2 one-cent (1¢) room occupancy tax described in this section is levied, the county's
3 authority to levy the one-cent (1¢) tax is repealed on the first day of the second month
4 following the date that a cumulative total of ten million dollars (\$10,000,000) in
5 proceeds from this one-cent (1¢) tax has been collected. For purposes of this section, the
6 cumulative total of ten million dollars (\$10,000,000) is calculated beginning on July 1,
7 ~~2008-2010.~~

8 Surplus proceeds from the one-cent (1¢) room occupancy tax described in this
9 section beyond the ten million dollar (\$10,000,000) cumulative total that are collected
10 before the repeal date shall be redistributed to the Tourism Development Authority and
11 used only to promote travel and tourism.

12 If the actual cost of the convention center is less than ten million dollars
13 (\$10,000,000), any proceeds from the one-cent (1¢) occupancy tax collected but not
14 spent shall be redistributed to the Tourism Development Authority and used to promote
15 travel and tourism.

16 If construction on the convention center has not begun by July 1, ~~2009-2011~~, the
17 county's authority to levy the one-cent (1¢) room occupancy tax described in this
18 section is repealed on September 1, ~~2009-2011~~. Any funds collected before the repeal
19 date shall be redistributed to the Tourism Development Authority and used only to
20 promote travel and tourism."

21 **SECTION 3.** Section 6(b) of S.L. 2001-381, as amended by S.L. 2005-120
22 and S.L. 2005-435, reads as rewritten:

23 "**SECTION 6.(b)** If the conditions in subdivisions (1) and (2) of Section 5 of this
24 act are met, and the additional occupancy tax authorized by Section 5 is levied, this
25 section becomes effective the later of July 1, ~~2008-2010~~, or the effective date of the tax
26 levied under Section 5 of this act. Otherwise, this section does not go into effect."

27 **SECTION 4.** Section 7(b) of S.L. 2001-381 reads as rewritten:

28 "**SECTION 7.(b)** If the conditions in subdivisions (1) and (2) of Section 5 of this
29 act are met, and the additional occupancy tax authorized by Section 5 is levied, Section
30 7 of this act becomes effective ~~July 1, 2010~~. July 1, 2014. Otherwise, this section does
31 not go into effect."

32 **SECTION 5.** This act is effective when it becomes law.