

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1995

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HOUSE BILL 1101*

Short Title: Amend Local Sales Taxes.

(Public)

Sponsors: Representatives Daughtry, Arnold, Shubert; Sexton, Rayfield, and Hill.

Referred to: Education, if favorable, Finance.

May 14, 1996

A BILL TO BE ENTITLED

1 AN ACT TO IMPLEMENT THE RECOMMENDATION OF THE SCHOOL CAPITAL
2 CONSTRUCTION STUDY COMMISSION TO MAKE PERMANENT THE
3 REQUIREMENT THAT COUNTIES USE PART OF THE TWO HALF-CENT
4 LOCAL SALES TAX PROCEEDS ONLY FOR PUBLIC SCHOOL BUILDINGS.
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6 The General Assembly of North Carolina enacts:

7 Section 1. G.S. 105-487(a) reads as rewritten:

8 "(a) Except as provided in subsection (e), ~~forty percent (40%) of the revenue~~
9 ~~received by a county from additional one-half percent (1/2%) sales and use taxes levied~~
10 ~~under this Article during the first five fiscal years in which the additional taxes are in~~
11 ~~effect in the county and (c) of this section, thirty percent (30%) of the revenue received~~
12 ~~by a county from these taxes in the next 10 fiscal years in which the taxes are in effect in~~
13 ~~the county additional one-half percent (1/2%) sales and use taxes levied under this Article~~
14 may be used by the county only for public school capital outlay purposes as defined in
15 G.S. 115C-426(f) or to retire any indebtedness incurred by the county for these
16 purposes."

17 Sec. 2. G.S. 105-502(a) reads as rewritten:

18 "(a) Sixty percent (60%) of the revenue received by a county under this Article
19 ~~during the first 16 fiscal years in which the tax is in effect~~ may be used by the county only for
20 public school capital outlay purposes as defined in G.S. 115C-426(f) or to retire any

1 indebtedness incurred by the county for these purposes during the period beginning five
2 years prior to the date the taxes took effect."

3 Sec. 3. This act becomes effective July 1, 1996.