

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007

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HOUSE BILL 230

Short Title: Alexander County Local Option Sales Tax. (Local)

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Sponsors: Representative R. Warren.

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Referred to: Finance.

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February 19, 2007

1 A BILL TO BE ENTITLED  
2 AN ACT TO AUTHORIZE ALEXANDER COUNTY TO LEVY A ONE-CENT  
3 LOCAL SALES AND USE TAX.

4 The General Assembly of North Carolina enacts:

5 SECTION 1. This act applies to Alexander County only.

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

8 "Article 46.

9 "Second One-Cent (1¢) Local Government Sales and Use Tax.

10 "**§ 105-535. Short title.**

11 This Article is the Second One-Cent (1¢) Local Government Sales and Use Tax Act.

12 "**§ 105-536. Limitations.**

13 This Article applies only to counties that levy the first one-cent (1¢) local sales and  
14 use tax under Article 39 of this Chapter or under Chapter 1096 of the 1967 Session  
15 Laws, the first one-half cent (1/2¢) local sales and use tax under Article 40 of this  
16 Chapter, the second one-half cent (1/2¢) local sales and use tax under Article 42 of this  
17 Chapter, and the third one-half cent (1/2¢) local sales and use tax under Article 44 of  
18 this Chapter.

19 "**§ 105-537. Levy of tax.**

20 The board of commissioners of a county may, by resolution, levy one percent (1%)  
21 local sales and use taxes in addition to any other State and local sales and use taxes  
22 levied pursuant to law. Before adopting a resolution under this Article, the board of  
23 commissioners must give at least 10 days' public notice of its intent to adopt the  
24 resolution and must hold a public hearing on the issue of adopting the resolution.

25 "**§ 105-538. Administration.**

26 Except as provided in this Article, the adoption, levy, collection, administration, and  
27 repeal of the additional taxes authorized by this Article shall be in accordance with  
28 Article 39 of this Chapter. A tax levied under this Article does not apply to the sales  
29 price of food that is exempt from tax pursuant to G.S. 105-164.13B.

1 **"§ 105-539. Distribution and use of taxes.**

2 The Secretary shall, on a monthly basis, distribute to each taxing county the net  
3 proceeds of the tax collected in that county under this Article. If the Secretary collects  
4 taxes under this Article in a month and the taxes cannot be identified as being  
5 attributable to a particular taxing county, the Secretary shall allocate these taxes among  
6 the taxing counties in proportion to the amount of taxes collected in each county under  
7 this Article in that month and shall include them in the monthly distribution. The  
8 proceeds of a tax levied under this Article may be used for any lawful public purpose."

9 **SECTION 3.** A tax levied under Article 46 of Chapter 105 of the General  
10 Statutes, as enacted by this act, does not apply to construction materials purchased to  
11 fulfill a lump-sum or unit-price contract entered into or awarded before the effective  
12 date of the levy or entered into or awarded pursuant to a bid made before the effective  
13 date of the levy when the construction materials would otherwise be subject to the tax  
14 levied under Article 46 of Chapter 105 of the General Statutes.

15 **SECTION 4.** This act is effective when it becomes law.