

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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1

HOUSE BILL 859

Short Title: Brunswick Room Tax Changes.

(Local)

Sponsors: Representatives Redwine and Hill (Cosponsors).

Referred to: Ways and Means, if favorable, Finance.

April 7, 1997

A BILL TO BE ENTITLED

1
2 **AN ACT TO AUTHORIZE BRUNSWICK COUNTY TO LEVY A ROOM**
3 **OCCUPANCY AND TOURISM DEVELOPMENT TAX AND TO AUTHORIZE**
4 **CERTAIN MUNICIPALITIES IN BRUNSWICK COUNTY TO LEVY OR**
5 **INCREASE ROOM OCCUPANCY TAXES.**

6 The General Assembly of North Carolina enacts:

7 Section 1. Brunswick County occupancy tax. (a) Authorization and scope. The
8 Brunswick County Board of Commissioners may levy a room occupancy tax of one
9 percent (1%) of the gross receipts derived from the rental of any room, lodging, or
10 accommodation furnished by a hotel, motel, inn, tourist camp, or similar place within the
11 county that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3) and
12 from the rental of private residences and cottages within the county that are exempt from
13 the sales tax imposed under G.S. 105-164.4(a)(3) solely because they are rented for less
14 than 15 days. This tax is in addition to any State or local sales tax. This tax does not
15 apply to accommodations furnished by nonprofit charitable, educational, or religious
16 organizations when furnished in furtherance of their nonprofit purpose, or to
17 accommodations subject to a municipal room occupancy tax at the rate of six percent
18 (6%).

1 (b) Administration. A tax levied under this section shall be levied, administered,
2 collected, and repealed as provided in G.S. 153A-155. The penalties provided in G.S.
3 153A-155 apply to a tax levied under this section.

4 (c) Distribution and use of tax revenue. Brunswick County shall, on a quarterly
5 basis, remit the net proceeds of the occupancy tax to the Brunswick Tourism
6 Development Authority. The Authority shall use at least two-thirds of the funds remitted
7 to it under this subsection to promote travel and tourism in Brunswick County and shall
8 use the remainder for tourism-related expenditures.

9 The following definitions apply in this subsection:

10 (1) Net proceeds. – Gross proceeds less the cost to the county of
11 administering and collecting the tax, as determined by the finance
12 officer, not to exceed three percent (3%) of the gross proceeds.

13 (2) Promote travel and tourism. – To advertise or market an area or activity,
14 publish and distribute pamphlets and other materials, conduct market
15 research, or engage in similar promotional activities that attract tourists
16 or business travelers to the area; the term includes administrative
17 expenses incurred in engaging in the listed activities.

18 (3) Tourism-related expenditures. – Expenditures that are designed to
19 increase the use of lodging facilities in a county or to attract tourists or
20 business travelers to the county. The term includes expenditures to
21 construct, maintain, operate, or market a convention or meeting facility,
22 a visitors' center, or a coliseum, and other expenditures that, in the
23 judgment of the Authority, will facilitate and promote tourism.

24 Section 2. Brunswick Tourism Development Authority. (a) Appointment and
25 membership. When the board of commissioners of Brunswick County adopts a
26 resolution levying a room occupancy tax under this act, it shall also adopt a resolution
27 creating a county Tourism Development Authority, which shall be a public authority
28 under the Local Government Budget and Fiscal Control Act. The Authority shall have 15
29 members appointed by the Brunswick County Commissioners as follows:

30 (1) Five individuals selected by the South Brunswick Islands Chamber of
31 Commerce.

32 (2) Five individuals selected by the Southport-Oak Island Chamber of
33 Commerce.

34 (3) Five individuals selected by the Brunswick County Commissioners.

35 The resolution shall provide for the members' terms of office and for the filling of
36 vacancies on the Authority. The board of commissioners shall designate one member of
37 the Authority as chair and shall determine the compensation, if any, to be paid to
38 members of the Authority.

39 The Authority shall meet at the call of the chair and shall adopt rules of
40 procedure to govern its meetings. The Finance Officer for Brunswick County shall be the
41 ex officio finance officer of the Authority.

42 (b) Duties. The Authority shall expend the net proceeds of the tax levied under
43 Section 1 of this act for the purposes provided in Section 1 of this act. The Authority

1 shall promote travel, tourism, and conventions in the county, sponsor tourist-related
2 events and activities in the county, and finance tourist-related capital projects in the
3 county.

4 (c) Reports. The Authority shall report quarterly and at the close of the fiscal year
5 to the board of commissioners on its receipts and expenditures for the preceding quarter
6 and for the year in such detail as the board may require.

7 Section 3. County administrative provisions. (a) Article 7 of Chapter 153A of the
8 General Statutes is amended by adding a new section to read:

9 **"§ 153A-155. Uniform provisions for room occupancy taxes.**

10 (a) Scope. – This section applies only to counties the General Assembly has
11 authorized to levy room occupancy taxes.

12 (b) Levy. – A room occupancy tax may be levied only by resolution, after not less
13 than 10 days' public notice and after a public hearing held pursuant thereto. A room
14 occupancy tax shall become effective on the date specified in the resolution levying the
15 tax. That date must be the first day of a calendar month, however, and may not be earlier
16 than the first day of the second month after the date the resolution is adopted.

17 (c) Collection. – Every operator of a business subject to a room occupancy tax
18 shall, on and after the effective date of the levy of the tax, collect the tax. The tax shall
19 be collected as part of the charge for furnishing a taxable accommodation. The tax shall
20 be stated and charged separately from the sales records and shall be paid by the purchaser
21 to the operator of the business as trustee for and on account of the taxing county. The tax
22 shall be added to the sales price and shall be passed on to the purchaser instead of being
23 borne by the operator of the business. The taxing county shall design, print, and furnish
24 to all appropriate businesses and persons in the county the necessary forms for filing
25 returns and instructions to ensure the full collection of the tax. An operator of a business
26 who collects a room occupancy tax may deduct from the amount remitted to the taxing
27 county a discount equal to the discount the State allows the operator for State sales and
28 use tax.

29 (d) Administration. – The taxing county shall administer a room occupancy tax it
30 levies. A room occupancy tax is due and payable to the county finance officer in
31 monthly installments on or before the 15th day of the month following the month in
32 which the tax accrues. Every person, firm, corporation, or association liable for the tax
33 shall, on or before the 15th day of each month, prepare and render a return on a form
34 prescribed by the taxing county. The return shall state the total gross receipts derived in
35 the preceding month from rentals upon which the tax is levied. A room occupancy tax
36 return filed with the county finance officer is not a public record and may not be
37 disclosed except in accordance with G.S. 153A-148.1 or G.S. 160A-208.1.

38 (e) Penalties. – A person, firm, corporation, or association who fails or refuses to
39 file a room occupancy tax return or pay a room occupancy tax as required by law is
40 subject to the civil and criminal penalties set by G.S. 105-236 for failure to pay or file a
41 return for State sales and use taxes. The governing board of the taxing county has the
42 same authority to waive the penalties for a room occupancy tax that the Secretary of
43 Revenue has to waive the penalties for State sales and use taxes.

1 (f) Repeal or Reduction. – A room occupancy tax levied by a county may be
2 repealed or reduced by a resolution adopted by the governing body of the county. Repeal
3 or reduction of a room occupancy tax shall become effective on the first day of a month
4 and may not become effective until the end of the fiscal year in which the resolution was
5 adopted. Repeal or reduction of a room occupancy tax does not affect a liability for a tax
6 that was attached before the effective date of the repeal or reduction, nor does it affect a
7 right to a refund of a tax that accrued before the effective date of the repeal or reduction."

8 (b) This section applies only to Brunswick County.

9 Section 4. Conforming change. Section 2(a2) of Chapter 664 of the 1991
10 Session Laws, as enacted by Chapter 617 of the 1993 Session Laws, is repealed.

11 Section 5. Municipal administrative provisions. (a) Article 9 of Chapter 160A
12 of the General Statutes is amended by adding a new section to read:

13 "**§ 160A-215. Uniform provisions for room occupancy taxes.**

14 (a) Scope. – This section applies only to municipalities the General Assembly has
15 authorized to levy room occupancy taxes. For the purpose of this section, the term 'city'
16 means a municipality.

17 (b) Levy. – A room occupancy tax may be levied only by resolution, after not less
18 than 10 days' public notice and after a public hearing held pursuant thereto. A room
19 occupancy tax shall become effective on the date specified in the resolution levying the
20 tax. That date must be the first day of a calendar month, however, and may not be earlier
21 than the first day of the second month after the date the resolution is adopted.

22 (c) Collection. – Every operator of a business subject to a room occupancy tax
23 shall, on and after the effective date of the levy of the tax, collect the tax. The tax shall
24 be collected as part of the charge for furnishing a taxable accommodation. The tax shall
25 be stated and charged separately from the sales records and shall be paid by the purchaser
26 to the operator of the business as trustee for and on account of the taxing city. The tax
27 shall be added to the sales price and shall be passed on to the purchaser instead of being
28 borne by the operator of the business. The taxing city shall design, print, and furnish to
29 all appropriate businesses and persons in the city the necessary forms for filing returns
30 and instructions to ensure the full collection of the tax. An operator of a business who
31 collects a room occupancy tax may deduct from the amount remitted to the taxing city a
32 discount equal to the discount the State allows the operator for State sales and use tax.

33 (d) Administration. – The taxing city shall administer a room occupancy tax it
34 levies. A room occupancy tax is due and payable to the city finance officer in monthly
35 installments on or before the 15th day of the month following the month in which the tax
36 accrues. Every person, firm, corporation, or association liable for the tax shall, on or
37 before the 15th day of each month, prepare and render a return on a form prescribed by
38 the taxing city. The return shall state the total gross receipts derived in the preceding
39 month from rentals upon which the tax is levied. A room occupancy tax return filed with
40 the city finance officer is not a public record and may not be disclosed except in
41 accordance with G.S. 153A-148.1 or G.S. 160A-208.1.

42 (e) Penalties. – A person, firm, corporation, or association who fails or refuses to
43 file a room occupancy tax return or pay a room occupancy tax as required by law is

1 subject to the civil and criminal penalties set by G.S. 105-236 for failure to pay or file a
2 return for State sales and use taxes. The governing board of the taxing city has the same
3 authority to waive the penalties for a room occupancy tax that the Secretary of Revenue
4 has to waive the penalties for State sales and use taxes.

5 (f) Repeal or Reduction. – A room occupancy tax levied by a city may be repealed
6 or reduced by a resolution adopted by the governing body of the city. Repeal or
7 reduction of a room occupancy tax shall become effective on the first day of a month and
8 may not become effective until the end of the fiscal year in which the resolution was
9 adopted. Repeal or reduction of a room occupancy tax does not affect a liability for a tax
10 that was attached before the effective date of the repeal or reduction, nor does it affect a
11 right to a refund of a tax that accrued before the effective date of the repeal or reduction."

12 (b) This section applies only to the municipalities in Brunswick County.

13 Section 6. Shallotte occupancy tax. (a) Authorization and scope. The Board of
14 Aldermen of the Town of Shallotte may levy a room occupancy tax of up to three percent
15 (3%) of the gross receipts derived from the rental of any room, lodging, or
16 accommodation furnished by a hotel, motel, inn, tourist camp, or similar place within the
17 town that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3) and
18 from the rental of private residences and cottages within the town that are exempt from
19 the sales tax imposed under G.S. 105-164.4(a)(3) solely because they are rented for less
20 than 15 days. This tax is in addition to any State or local sales tax. This tax does not
21 apply to accommodations furnished by nonprofit charitable, educational, or religious
22 organizations when furnished in furtherance of their nonprofit purpose.

23 (b) Administration. A tax levied under this section shall be levied, administered,
24 collected, and repealed as provided in G.S. 160A-215. The penalties provided in G.S.
25 160A-215 apply to a tax levied under this section.

26 (c) Distribution and use of tax revenue. The Town of Shallotte may use the
27 proceeds of a tax levied under this act only for tourism-related expenditures. As used in
28 this section, the term "tourism-related expenditures" includes the following types of
29 expenditures: criminal justice system, fire protection, public facilities and utilities, health
30 facilities, solid waste and sewage treatment, and the control and repair of waterfront
31 erosion. These funds may not be used for services normally provided by the town on
32 behalf of its citizens unless these services promote tourism and enlarge its economic
33 benefits by enhancing the ability of the town to attract and provide for tourists.

34 Section 7. Caswell Beach occupancy tax changes. Section 1 of Chapter 664 of
35 the 1991 Session Laws reads as rewritten:

36 "Section 1. Caswell Beach Occupancy Tax. (a) Authorization and Scope. The
37 Board of Commissioners of the Town of Caswell Beach may ~~by resolution, after not less~~
38 ~~than 10 days' public notice and a public hearing held pursuant thereto,~~ levy a room occupancy
39 tax of up to three percent (3%) of the gross receipts derived from the rental of
40 accommodations within the town that are subject to sales tax imposed by the State under
41 G.S. 105-164.4(a)(3) and from the rental of private residences and cottages within the
42 town that are exempt from the sales tax imposed under G.S. 105-164.4(a)(3) solely
43 because they are rented for less than 15 days.

1 (a) Authorization of Additional Tax. In addition to the tax authorized by
2 subsection (a) of this section, the Board of Commissioners of the Town of Caswell Beach
3 may levy an additional room occupancy tax of up to two percent (2%) of the gross
4 receipts derived from the rental of accommodations taxable under subsection (a). The
5 levy, collection, administration, and repeal of the tax authorized by this subsection shall
6 be in accordance with the provisions of this section. The Town of Caswell Beach may
7 not levy a tax under this subsection unless it also levies the tax authorized under
8 subsection (a) of this section.

9 (b) Administration. A tax levied under this section shall be levied,
10 administered, collected, and repealed as provided in G.S. 160A-215. The penalties
11 provided in G.S. 160A-215 apply to a tax levied under this section.

12 ~~Collection.~~ Every operator of a business subject to the tax levied by this act shall, on
13 ~~and after the effective date of the tax, collect the tax.~~ This tax shall be collected as part of
14 ~~the charge for furnishing a taxable accommodation.~~ The tax shall be stated and charged
15 ~~separately from the sales records, and shall be paid by the purchaser to the operator of the~~
16 ~~business as trustee for and on account of the town.~~ The occupancy tax levied under this
17 ~~act shall be added to the sales price and shall be passed on to the purchaser instead of~~
18 ~~being borne by the owner of the business.~~ The town shall design, print, and furnish to all
19 ~~appropriate businesses in the town the necessary forms for filing returns and instructions~~
20 ~~to ensure the full collection of the tax.~~

21 (c) ~~Administration.~~ The town shall administer the occupancy tax levied under this
22 ~~act.~~ A tax levied under this act is due and payable to the town tax collector in monthly
23 ~~installments on or before the fifteenth day of the month following the month in which the~~
24 ~~tax accrues.~~ Every person, firm, or corporation liable for the tax shall, on or before the
25 ~~fifteenth day of each month, prepare and render a return on a form prescribed by the~~
26 ~~town.~~ The return shall state the total gross receipts derived in the preceding month from
27 ~~rentals upon which the tax is levied.~~

28 A return filed with the town tax collector under this act is not a public record as
29 ~~defined by G.S. 132-1 and may not be disclosed except as required by law.~~

30 (d) ~~Penalties.~~ A person, firm, corporation, or association who fails or refuses to
31 ~~file the return required by this act shall pay a penalty of ten dollars (\$10.00) for each~~
32 ~~day's omission.~~ In case of failure or refusal to file the return or pay the tax for a period of
33 ~~30 days after the time required for filing the return or for paying the tax, there shall be an~~
34 ~~additional tax, as a penalty, of five percent (5%) of the tax due in addition to any other~~
35 ~~penalty, with an additional penalty of five percent (5%) for each additional month or~~
36 ~~fraction thereof until the tax is paid.~~ The board of commissioners may, for good cause
37 ~~shown, compromise or forgive the additional tax penalties imposed by this subsection.~~

38 Any person who willfully attempts in any manner to evade a tax imposed under this
39 ~~act or who willfully fails to pay the tax or make and file a return shall, in addition to all~~
40 ~~other penalties provided by law, be guilty of a misdemeanor and shall be punishable by a~~
41 ~~fine not to exceed one thousand dollars (\$1,000), imprisonment not to exceed six months,~~
42 ~~or both.~~

1 ~~(e)(c)~~ Use of Proceeds. The town may use the proceeds of a tax levied under ~~this act~~
2 subsection (a) of this section only for tourism-related expenditures. As used in this ~~act,~~
3 section, the term 'tourism-related expenditures' includes the following types of
4 expenditures: criminal justice system, fire protection, public facilities and utilities, health
5 facilities, solid waste and sewage treatment, and the control and repair of waterfront
6 erosion. These funds may not be used for services normally provided by the town on
7 behalf of its citizens unless these services promote tourism and enlarge its economic
8 benefits by enhancing the ability of the town to attract and provide for tourists.

9 The town may use the proceeds of a tax levied under subsection (a1) of this
10 section only for beach renourishment.

11 ~~(f) Effective Date of Levy. A tax levied under this act shall become effective on~~
12 ~~the date specified in the resolution levying the tax. That date must be the first day of a~~
13 ~~calendar month, however, and may not be earlier than the first day of the second month~~
14 ~~after the date the resolution is adopted.~~

15 ~~(g) Repeal. The Board of Commissioners of the Town of Caswell Beach may by~~
16 ~~resolution repeal a tax levied under this act. Repeal of a tax levied under this act shall~~
17 ~~become effective on the first day of a month and may not become effective until the end~~
18 ~~of the fiscal year in which the repeal resolution was adopted. Repeal of a tax levied~~
19 ~~under this act does not affect a liability for a tax that was attached before the effective~~
20 ~~date of the repeal, nor does it affect a right to a refund of a tax that accrued before the~~
21 ~~effective date of the repeal."~~

22 Section 8. Holden Beach occupancy tax changes. Section 1 of Chapter 963 of
23 the 1987 Session Laws reads as rewritten:

24 "Section 1. Occupancy tax. (a) Authorization and scope. The Holden Beach
25 Town Council may ~~by resolution, after not less than 10 days' public notice and after a public~~
26 ~~hearing held pursuant thereto,~~ levy a room occupancy tax of no more than three percent
27 (3%) of the gross receipts derived from the rental of any room, lodging, or similar
28 accommodation furnished by a hotel, motel, inn, or similar place within the town that is
29 subject to sales tax imposed by the State under G.S. ~~105-164.4(3)~~ 105-164.4(a)(3) and on
30 the rental of all private residences and cottages, regardless of whether the residence or
31 cottage is rented for less than 15 days. This tax is in addition to any State or local sales
32 tax. This tax does not apply to accommodations furnished by nonprofit charitable,
33 educational, or religious organizations.

34 (a1) Authorization of additional tax. In addition to the tax authorized by subsection
35 (a) of this section, the Holden Beach Town Council may levy an additional room
36 occupancy tax of up to two percent (2%) of the gross receipts derived from the rental of
37 accommodations taxable under subsection (a). The levy, collection, administration, and
38 repeal of the tax authorized by this subsection shall be in accordance with the provisions
39 of this section. The Holden Beach Town Council may not levy a tax under this
40 subsection unless it also levies the tax authorized under subsection (a) of this section.

41 (b) Administration. A tax levied under this section shall be levied, administered,
42 collected, and repealed as provided in G.S. 160A-215. The penalties provided in G.S.
43 160A-215 apply to a tax levied under this section.

1 Collection. Every operator of a business subject to the tax levied under this section shall,
2 on and after the effective date of the levy of the tax, collect the tax. This tax shall be
3 collected as part of the charge for furnishing a taxable accommodation. The tax shall be
4 stated and charged separately from the sales records, and shall be paid by the purchaser to
5 the operator of the business as trustee for and on account of the town. The tax shall be
6 added to the sales price and shall be passed on to the purchaser instead of being borne by
7 the operator of the business. The town shall design, print, and furnish to all appropriate
8 businesses and persons in the town the necessary forms for filing returns and instructions
9 to ensure the full collection of the tax.

10 (e) Administration. The town shall administer a tax levied under this section. A
11 tax levied under this section is due and payable to the Holden Beach tax collector in
12 monthly installments on or before the 15th day of the month following the month in
13 which the tax accrues. Every person, firm, corporation, or association liable for the tax
14 shall, on or before the 15th day of each month, prepare and render a return on a form
15 prescribed by the town. The return shall state the total gross receipts derived in the
16 preceding month from rentals upon which the tax is levied. A return filed with the tax
17 collector under this section is not a public record as defined by G.S. 132-1 and may not
18 be disclosed except as required by law.

19 The tax collector may collect any unpaid taxes levied under this act through the use of
20 attachment and garnishment proceedings as provided in G.S. 105-368 for collection of
21 property taxes. The tax collector has the same enforcement powers concerning the tax
22 imposed by this act as does the Secretary of Revenue in enforcing the State sales tax
23 under G.S. 105-164.30.

24 (d) Penalties. A person, firm, corporation, or association who fails or refuses to
25 file the return required by this section shall pay a penalty of ten dollars (\$10.00) for each
26 day's omission. In case of failure or refusal to file the return or pay the tax for a period of
27 30 days after the time required for filing the return or for paying the tax, there shall be an
28 additional tax, as a penalty, of five percent (5%) of the tax due in addition to any other
29 penalty, with an additional tax of five percent (5%) for each additional month or fraction
30 thereof until the tax is paid.

31 Any person who willfully attempts in any manner to evade a tax imposed under this
32 section or who willfully fails to pay the tax or make and file a return shall, in addition to
33 all other penalties provided by law, be guilty of a misdemeanor and shall be punishable
34 by a fine not to exceed one thousand dollars (\$1,000), imprisonment not to exceed six
35 months, or both. The town council may, for good cause shown, compromise or forgive
36 the penalties imposed by this subsection.

37 (e) (c) Distribution and use of tax revenue. The tax collector shall remit the
38 proceeds of this tax to the town on a monthly basis. The funds received by the town
39 pursuant to this act proceeds of the tax levied under subsection (a) of this section shall be
40 allocated to a special fund and used only for tourism-related expenditures. As used in
41 this act, the term 'tourism-related expenditures' includes the following types of
42 expenditures: criminal justice system, fire protection, public facilities and utilities, health
43 facilities, solid waste and sewage treatment, and the control and repair of water front

1 erosion. These funds may not be used for services normally provided by the town on
2 behalf of its citizens unless these services promote tourism and enlarge its economic
3 benefits by enhancing the ability of the town to attract and provide for tourists.

4 The town may use the proceeds of a tax levied under subsection (a1) of this
5 section only for beach renourishment.

6 ~~(f) Effective date of levy. A tax levied under this section shall become effective~~
7 ~~on the date specified in the resolution levying the tax. That date must be the first day of a~~
8 ~~calendar month, however, and may not be earlier than the first day of the second month~~
9 ~~after the date the resolution is adopted.~~

10 ~~(g) Repeal. A tax levied under this section may be repealed by a resolution~~
11 ~~adopted by the Holden Beach Town Council. Repeal of a tax levied under this section~~
12 ~~shall become effective on the first day of a month and may not become effective until the~~
13 ~~end of the fiscal year in which the repeal resolution was adopted. Repeal of a tax levied~~
14 ~~under this section does not affect a liability for a tax that was attached before the effective~~
15 ~~date of the repeal, nor does it affect a right to a refund of a tax that accrued before the~~
16 ~~effective date of the repeal."~~

17 Section 9. Long Beach occupancy tax changes. Part IX of Chapter 908 of the
18 1983 Session Laws, as amended by Chapter 985 of the 1983 Session Laws and Chapter
19 857 of the 1989 Session Laws, as it relates to the Town of Long Beach only, is reenacted
20 and rewritten as Section 10 of this act.

21 Section 10. Long Beach occupancy tax. (a) Authorization and scope. The Long
22 Beach Town Council may levy a room occupancy tax of up to three percent (3%) of the
23 gross receipts derived from the rental of any room, lodging, or accommodation furnished
24 by a hotel, motel, inn, tourist camp, or similar place within the town that is subject to
25 sales tax imposed by the State under G.S. 105-164.4(a)(3) and from the rental of private
26 residences and cottages, whether or not the residence or cottage is rented for less than 15
27 days. This tax is in addition to any State or local sales tax.

28 (b) Authorization of additional tax. In addition to the tax authorized by subsection
29 (a) of this section, the Long Beach Town Council may levy an additional room
30 occupancy tax of up to two percent (2%) of the gross receipts derived from the rental of
31 accommodations taxable under subsection (a). The levy, collection, administration, and
32 repeal of the tax authorized by this subsection shall be in accordance with the provisions
33 of this section. The town council may not levy a tax under this subsection unless it also
34 levies the tax authorized under subsection (a) of this section.

35 (c) Administration. A tax levied under this section shall be levied, administered,
36 collected, and repealed as provided in G.S. 160A-215. The penalties provided in G.S.
37 160A-215 apply to a tax levied under this section.

38 The tax collector may collect any unpaid taxes levied under this act through the
39 use of attachment and garnishment proceedings as provided in G.S. 105-368 for
40 collection of property taxes. The tax collector has the same enforcement powers
41 concerning the tax imposed by this act as does the Secretary of Revenue in enforcing the
42 State sales tax under G.S. 105-164.30.

1 (d) Distribution and use of tax revenue. The Town of Long Beach may use the
2 proceeds of the tax levied pursuant to subsection (a) of this section only for tourism-
3 related expenditures. As used in this section, "tourism-related expenditures" includes any
4 of the following expenditures: criminal justice system, fire protection, public facilities
5 and utilities, health facilities, solid waste and sewage treatment, and the control and repair
6 of waterfront erosion. The term does not include, however, expenditures for services
7 normally provided by the city on behalf of its citizens unless these services promote
8 tourism and enlarge its economic benefits by enhancing the ability of the city to attract
9 and provide for tourists.

10 The Town of Long Beach may use the proceeds of the tax levied pursuant to
11 subsection (b) of this section only for beach renourishment.

12 Section 11. Southport occupancy tax changes. Section 1 of Chapter 639 of the
13 1989 Session Laws reads as rewritten:

14 "Section 1. Occupancy tax. (a) Authorization and scope. The Southport Board
15 of Aldermen may ~~by resolution, after not less than 10 days' public notice and after a public~~
16 ~~hearing held pursuant thereto,~~ levy a room occupancy tax of no more than three percent
17 (3%) of the gross receipts derived from the rental of any room, lodging, or similar
18 accommodation furnished by a hotel, motel, inn, or similar place within the City of
19 Southport that is subject to sales tax imposed by the State under G.S. ~~105-164.4(3)-105-~~
20 ~~164.4(a)(3)~~ and on the rental of all private residences and cottages, regardless of whether
21 the residence or cottage is rented for less than 15 days. This tax is in addition to any
22 State or local sales tax. This tax does not apply to accommodations furnished by
23 nonprofit charitable, educational, or religious organizations.

24 (a1) Authorization of additional tax. In addition to the tax authorized by subsection
25 (a) of this section, the Southport Board of Aldermen may levy an additional room
26 occupancy tax of up to two percent (2%) of the gross receipts derived from the rental of
27 accommodations taxable under subsection (a). The levy, collection, administration, and
28 repeal of the tax authorized by this subsection shall be in accordance with the provisions
29 of this section. The City of Southport may not levy a tax under this subsection unless it
30 also levies the tax authorized under subsection (a) of this section.

31 (b) Administration. A tax levied under this section shall be levied, administered,
32 collected, and repealed as provided in G.S. 160A-215. The penalties provided in G.S.
33 160A-215 apply to a tax levied under this section.

34 ~~Collection. Every operator of a business subject to the tax levied under this section shall,~~
35 ~~on and after the effective date of the levy of the tax, collect the tax. This tax shall be~~
36 ~~collected as part of the charge for furnishing a taxable accommodation. The tax shall be~~
37 ~~stated and charged separately from the sales records, and shall be paid by the purchaser to~~
38 ~~the operator of the business as trustee for and on account of the city. The tax shall be~~
39 ~~added to the sales price and shall be passed on to the purchaser instead of being borne by~~
40 ~~the operator of the business. The city shall design, print, and furnish to all appropriate~~
41 ~~businesses and persons in the city the necessary forms for filing returns and instructions~~
42 ~~to ensure the full collection of the tax.~~

1 ~~(e) Administration. The city shall administer a tax levied under this section. A tax~~
2 ~~levied under this section is due and payable to the Southport tax collector in monthly~~
3 ~~installments on or before the 15th day of the month following the month in which the tax~~
4 ~~accrues. Every person, firm, corporation, or association liable for the tax shall, on or~~
5 ~~before the 15th day of each month, prepare and render a return on a form prescribed by~~
6 ~~the city. The return shall state the total gross receipts derived in the preceding month~~
7 ~~from rentals upon which the tax is levied. A return filed with the tax collector under this~~
8 ~~section is not a public record as defined by G.S. 132-1 and may not be disclosed except~~
9 ~~as required by law.~~

10 The tax collector may collect any unpaid taxes levied under this act through the use of
11 attachment and garnishment proceedings as provided in G.S. 105-368 for collection of
12 property taxes. The tax collector has the same enforcement powers concerning the tax
13 imposed by this act as does the Secretary of Revenue in enforcing the State sales tax
14 under G.S. 105-164.30.

15 ~~(d) Penalties. A person, firm, corporation, or association who fails or refuses to~~
16 ~~file the return required by this section shall pay a penalty of ten dollars (\$10.00) for each~~
17 ~~day's omission. In case of failure or refusal to file the return or pay the tax for a period of~~
18 ~~30 days after the time required for filing the return or for paying the tax, there shall be an~~
19 ~~additional tax, as a penalty, of five percent (5%) of the tax due in addition to any other~~
20 ~~penalty, with an additional tax of five percent (5%) for each additional month or fraction~~
21 ~~thereof until the tax is paid. The Southport Board of Aldermen may, for good cause~~
22 ~~shown, compromise or forgive the additional tax penalties imposed by this subsection.~~

23 ~~Any person who willfully attempts in any manner to evade a tax imposed under this~~
24 ~~section or who willfully fails to pay the tax or make and file a return shall, in addition to~~
25 ~~all other penalties provided by law, be guilty of a misdemeanor and shall be punishable~~
26 ~~by a fine not to exceed one thousand dollars (\$1,000), imprisonment not to exceed six~~
27 ~~months, or both.~~

28 ~~(e) (c) Distribution and use of tax revenue. The tax collector shall remit the~~
29 ~~proceeds of this tax to the city on a monthly basis. The funds received by the city pursuant~~
30 ~~to this act shall proceeds of the tax levied under subsection (a) of this section may be used~~
31 ~~to promote tourism and economic development, for waterfront development, and for~~
32 ~~other public purposes. The town may use the proceeds of a tax levied under subsection~~
33 ~~(a1) of this section only for economic and waterfront development activities.~~

34 ~~(f) Effective date of levy. A tax levied under this section shall become effective~~
35 ~~on the date specified in the resolution levying the tax. That date must be the first day of a~~
36 ~~calendar month, however, and may not be earlier than two weeks after the date the~~
37 ~~resolution is adopted.~~

38 ~~(g) Repeal. A tax levied under this section may be repealed by a resolution~~
39 ~~adopted by the Southport Board of Aldermen. Repeal of a tax levied under this section~~
40 ~~shall become effective on the first day of a month and may not become effective until the~~
41 ~~end of the fiscal year in which the repeal resolution was adopted. Repeal of a tax levied~~
42 ~~under this section does not affect a liability for a tax that was attached before the effective~~

1 ~~date of the repeal, nor does it affect a right to a refund of a tax that accrued before the~~
2 ~~effective date of the repeal."~~

3 Section 12. Yaupon Beach occupancy tax changes. Section 1 of Chapter 820
4 of the 1991 Session Laws reads as rewritten:

5 "Section 1. Yaupon Beach Occupancy Tax. (a) Authorization and Scope. The
6 Board of Commissioners of the Town of Yaupon Beach may ~~by resolution, after not less~~
7 ~~than 10 days' public notice and a public hearing held pursuant thereto,~~ levy a room occupancy
8 tax of up to three percent (3%) of the gross receipts derived from the rental of
9 accommodations within the town that are subject to sales tax imposed by the State under
10 G.S. 105-164.4(a)(3) and from the rental of private residences and cottages within the
11 town that are exempt from the sales tax imposed under G.S. 105-164.4(a)(3) solely
12 because they are rented for less than 15 days.

13 (a1) Authorization of Additional Tax. In addition to the tax authorized by
14 subsection (a) of this section, the Board of Commissioners of the Town of Yaupon Beach
15 may levy an additional room occupancy tax of up to two percent (2%) of the gross
16 receipts derived from the rental of accommodations taxable under subsection (a). The
17 levy, collection, administration, and repeal of the tax authorized by this subsection shall
18 be in accordance with the provisions of this section. The Town of Yaupon Beach may
19 not levy a tax under this subsection unless it also levies the tax authorized under
20 subsection (a) of this section.

21 (b) Administration. A tax levied under this section shall be levied,
22 administered, collected, and repealed as provided in G.S. 160A-215. The penalties
23 provided in G.S. 160A-215 apply to a tax levied under this section.

24 ~~Collection. Every operator of a business subject to the tax levied by this act shall, on and~~
25 ~~after the effective date of the tax, collect the tax. This tax shall be collected as part of the~~
26 ~~charge for furnishing a taxable accommodation. The tax shall be stated and charged~~
27 ~~separately from the sales records, and shall be paid by the purchaser to the operator of the~~
28 ~~business as trustee for and on account of the town. The occupancy tax levied under this~~
29 ~~act shall be added to the sales price and shall be passed on to the purchaser instead of~~
30 ~~being borne by the owner of the business. The town shall design, print, and furnish to all~~
31 ~~appropriate businesses in the town the necessary forms for filing returns and instructions~~
32 ~~to ensure the full collection of the tax.~~

33 ~~(c) Administration. The town shall administer the occupancy tax levied under this~~
34 ~~act. A tax levied under this act is due and payable to the town tax collector in monthly~~
35 ~~installments on or before the fifteenth day of the month following the month in which the~~
36 ~~tax accrues. Every person, firm, or corporation liable for the tax shall, on or before the~~
37 ~~fifteenth day of each month, prepare and render a return on a form prescribed by the~~
38 ~~town. The return shall state the total gross receipts derived in the preceding month from~~
39 ~~rentals upon which the tax is levied.~~

40 ~~A return filed with the town tax collector under this act is not a public record as~~
41 ~~defined by G.S. 132-1 and may not be disclosed except as required by law.~~

42 ~~(d) Penalties. A person, firm, corporation, or association who fails or refuses to~~
43 ~~file the return required by this act shall pay a penalty of ten dollars (\$10.00) for each~~

1 day's omission. In case of failure or refusal to file the return or pay the tax for a period of
2 30 days after the time required for filing the return or for paying the tax, there shall be an
3 additional tax, as a penalty, of five percent (5%) of the tax due in addition to any other
4 penalty, with an additional penalty of five percent (5%) for each additional month or
5 fraction thereof until the tax is paid. The board of commissioners may, for good cause
6 shown, compromise or forgive the additional tax penalties imposed by this subsection.

7 Any person who willfully attempts in any manner to evade a tax imposed under this
8 act or who willfully fails to pay the tax or make and file a return shall, in addition to all
9 other penalties provided by law, be guilty of a misdemeanor and shall be punishable by a
10 fine not to exceed one thousand dollars (\$1,000), imprisonment not to exceed six months,
11 or both.

12 (e) (c) Use of Proceeds. The town may use the proceeds of a tax levied under this
13 act subsection (a) of this section only for tourism-related expenditures. As used in this
14 act, the term 'tourism-related expenditures' includes the following types of expenditures:
15 criminal justice system, fire protection, public facilities and utilities, health facilities,
16 solid waste and sewage treatment, and the control and repair of waterfront erosion. These
17 funds may not be used for services normally provided by the town on behalf of its
18 citizens unless these services promote tourism and enlarge its economic benefits by
19 enhancing the ability of the town to attract and provide for tourists.

20 The town may use the proceeds of a tax levied under subsection (a1) of this
21 section only for beach renourishment.

22 (f) ~~Effective Date of Levy. A tax levied under this act shall become effective on~~
23 ~~the date specified in the resolution levying the tax. That date must be the first day of a~~
24 ~~calendar month, however, and may not be earlier than the first day of the second month~~
25 ~~after the date the resolution is adopted.~~

26 (g) ~~Repeal. The Board of Commissioners of the Town of Yaupon Beach may by~~
27 ~~resolution repeal a tax levied under this act. Repeal of a tax levied under this act shall~~
28 ~~become effective on the first day of a month and may not become effective until the end~~
29 ~~of the fiscal year in which the repeal resolution was adopted. Repeal of a tax levied~~
30 ~~under this act does not affect a liability for a tax that was attached before the effective~~
31 ~~date of the repeal, nor does it affect a right to a refund of a tax that accrued before the~~
32 ~~effective date of the repeal."~~

33 Section 13. This act is effective when it becomes law.