

GENERAL ASSEMBLY OF NORTH CAROLINA

SESSION 1997

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SENATE BILL 1150*

Short Title: Amend Local Sales Tax.

(Public)

Sponsors: Senators Dalton, Winner, Lee; Ballance, Blust, Hartsell, Jenkins, Jordan, Kinnaird, Lucas, Odom, Phillips, Reeves, Weinstein, and Wellons.

Referred to: Education/Higher Education.

May 18, 1998

A BILL TO BE ENTITLED

AN ACT TO MAKE PERMANENT THE REQUIREMENT THAT COUNTIES USE
PART OF THE TWO HALF-CENT LOCAL SALES TAX PROCEEDS ONLY FOR
PUBLIC SCHOOL CAPITAL OUTLAY PURPOSES.

The General Assembly of North Carolina enacts:

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

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

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

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

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

3 Section 3. This act becomes effective July 1, 1998.