

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005

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HOUSE BILL 843

Short Title: Duplin Occupancy Tax.

(Local)

Sponsors: Representative Tucker.

Referred to: Finance.

March 22, 2005

A BILL TO BE ENTITLED

1 AN ACT TO AUTHORIZE DUPLIN COUNTY TO LEVY AN ADDITIONAL
2 ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX.

3 The General Assembly of North Carolina enacts:

4 **SECTION 1.** Chapter 377 of the 1987 Session Laws reads as rewritten:

5 "Section 1. Occupancy tax. (a) Authorization and scope. The Duplin County
6 Board of Commissioners may ~~by resolution, after not less than 10 days' public notice~~
7 ~~and after a public hearing held pursuant thereto,~~ levy a room occupancy tax of up to
8 three percent (3%) of the gross receipts derived from the rental of any room, lodging, or
9 similar accommodation furnished by a hotel, motel, inn, or similar place within the
10 county that is subject to sales tax imposed by the State under
11 G.S. ~~105-164.4(3)-105-164.4(a)(3)~~. This tax is in addition to any State or local sales
12 tax. This tax does not apply to accommodations furnished by nonprofit charitable,
13 educational, or religious organizations.

14 (a1) Authorization of additional tax. In addition to the tax authorized by
15 subsection (a) of this section, the Duplin County Board of Commissioners may levy an
16 additional room occupancy tax of up to three percent (3%) of the gross receipts derived
17 from the rental of accommodations taxable under subsection (a) of this section. The
18 levy, collection, administration, and repeal of the tax authorized by this subsection must
19 be in accordance with the provisions of this section. Duplin County may not levy a tax
20 under this subsection unless it also levies the tax authorized under subsection (a) of this
21 section.

22 (a2) Administration. A tax levied under this section must be levied, administered,
23 collected, and repealed as provided in G.S. 153A-155. The penalties provided in
24 G.S. 153A-155 apply to a tax levied under this section.

25 ~~(b) Collection. Every operator of a business subject to the tax levied under this~~
26 ~~section shall, on and after the effective date of the levy of the tax, collect the tax. This~~
27 ~~tax shall be collected as part of the charge for furnishing a taxable accommodation. The~~
28 ~~tax shall be stated and charged separately from the sales records, and shall be paid by~~
29

1 the purchaser to the operator of the business as trustee for and on account of the county.
2 The tax shall be added to the sales price and shall be passed on to the purchaser instead
3 of being borne by the operator of the business. The county shall design, print, and
4 furnish to all appropriate businesses and persons in the county the necessary forms for
5 filing returns and instructions to ensure the full collection of the tax.

6 (e) Administration. The county shall administer a tax levied under this section. A
7 tax levied under this section is due and payable to the county finance officer in monthly
8 installments on or before the 15th day of the month following the month in which the
9 tax accrues. Every person, firm, corporation, or association liable for the tax shall, on or
10 before the 15th day of each month, prepare and render a return on a form prescribed by
11 the county. The return shall state the total gross receipts derived in the preceding month
12 from rentals upon which the tax is levied.

13 A return filed with the county finance officer under this section is not a public record
14 as defined by G.S. 132-1 and may not be disclosed except as required by law.

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
17 each day's omission. In case of failure or refusal to file the return or pay the tax for a
18 period of thirty 30 days after the time required for filing the return or for paying the tax,
19 there shall be an additional tax, as a penalty, of five percent (5%) of the tax due in
20 addition to any other penalty, with an additional tax of five percent (5%) for each
21 additional month or fraction thereof until the tax is paid.

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

28 (e) Use of tax revenue. Duplin County may use the proceeds of a tax levied
29 under this section only to promote travel and tourism in Duplin County.

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

34 (g) Repeal. A tax levied under this section may be repealed by a resolution
35 adopted by the Duplin County Board of Commissioners. Repeal of a tax levied under
36 this section shall become effective on the first day of a month and may not become
37 effective until the end of the fiscal year in which the repeal resolution was adopted.
38 Repeal of a tax levied under this section does not affect a liability for a tax that was
39 attached before the effective date of the repeal, nor does it affect a right to a refund of a
40 tax that accrued before the effective date of the repeal."

41 **SECTION 2.** G.S. 153A-155(g) reads as rewritten:

42 "**§ 153A-155. Uniform provisions for room occupancy taxes.**

43 "(g) This section applies only to Alleghany, Anson, Brunswick, Buncombe,
44 Cabarrus, Camden, Carteret, Craven, Cumberland, Currituck, Dare, Davie, Duplin,

1 Durham, Granville, Madison, Montgomery, Nash, New Hanover, Pender, Person,
2 Randolph, Richmond, Rowan, Scotland, Stanly, Transylvania, Tyrrell, Vance, and
3 Washington Counties, and to the Township of Averasboro in Harnett County."

4 **SECTION 3.** This act is effective when it becomes law.