

**GENERAL ASSEMBLY OF NORTH CAROLINA**  
**SESSION 2007**

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**SENATE DRS85089-MC~~x~~-63 (2/16)**

Short Title: Granville County Occupancy Tax Modifications. (Local)

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Sponsors: Senator Berger of Franklin.

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Referred to:

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A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE GRANVILLE COUNTY TO LEVY AN ADDITIONAL ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 1 of Chapter 454 of the 1993 Session Laws, as amended by S.L. 2000-103, is amended by adding a new subsection to read:

"(a1) Authorization of additional tax. In addition to the tax authorized by subsection (a) of this section, the Granville County Board of Commissioners may levy an additional room occupancy tax of up to one percent (1%) of the gross receipts derived from the rental of accommodations taxable under subsection (a) of this section. The levy, collection, administration, and repeal of the tax authorized by this subsection shall be in accordance with the provisions of this section. Granville County may not levy a tax under this subsection unless it also levies the tax authorized under subsection (a) of this section."

**SECTION 2.** Section 1(e) of Chapter 454 of the 1993 Session Laws, as amended by S.L. 2000-103, reads as rewritten:

"(e) Distribution and Use of Tax Revenue.

The county shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Granville County Tourism Development Authority. The Authority shall use at least two-thirds of the funds remitted to it under this subsection ~~to promote travel and tourism in~~ for financing capital expenditures for tourism-related projects in Granville County and shall use the remainder ~~for tourism-related expenditures to promote travel and tourism.~~

The following definitions apply in this subsection:

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

1 (2) Promote travel and tourism. – To advertise or market an area or  
2 activity, publish and distribute pamphlets and other materials, conduct  
3 market research, or engage in similar promotional activities that attract  
4 tourists or business travelers to the county. The term includes  
5 administrative expenses incurred in engaging in the listed activities.

6 (3) Tourism-related expenditures. – Expenditures that, in the judgment of  
7 the Authority, are designed to increase the use of lodging facilities in  
8 the county or to attract tourists or business travelers to the county. The  
9 term includes tourism-related capital expenditures."

10 **SECTION 3.** Section 1(e) of Chapter 454 of the 1993 Session Laws, as  
11 amended by S.L. 2000-103, and as amended by Section 2 of this act, reads as rewritten:

12 "(e) Distribution and Use of Tax Revenue.

13 The county shall, on a quarterly basis, remit the net proceeds of the occupancy tax to  
14 the Granville County Tourism Development Authority. The Authority shall use at least  
15 two-thirds of the funds remitted to it under this subsection ~~for financing capital~~  
16 ~~expenditures for tourism-related projects~~ to promote travel and tourism in Granville  
17 County and shall use the remainder ~~to promote travel and tourism~~ for tourism-related  
18 expenditures.

19 The following definitions apply in this subsection:

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

23 (2) Promote travel and tourism. – To advertise or market an area or  
24 activity, publish and distribute pamphlets and other materials, conduct  
25 market research, or engage in similar promotional activities that attract  
26 tourists or business travelers to the county. The term includes  
27 administrative expenses incurred in engaging in the listed activities.

28 (3) Tourism-related expenditures. – Expenditures that, in the judgment of  
29 the Authority, are designed to increase the use of lodging facilities in  
30 the county or to attract tourists or business travelers to the county. The  
31 term includes tourism-related capital expenditures."

32 **SECTION 4.** Sections 1 and 4 are effective when they become law, and a  
33 tax levied under Section 1 may not become effective before October 1, 2004. Section 2  
34 of this act becomes effective October 1, 2007, and applies to taxes paid on or after that  
35 date. The remainder of this act becomes effective October 1, 2014, and applies to taxes  
36 paid on or after that date.