

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007**

**SESSION LAW 2007-331
SENATE BILL 384**

AN ACT TO AUTHORIZE GRANVILLE COUNTY TO LEVY AN ADDITIONAL ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX AND TO MODIFY THE DISTRIBUTION FORMULA.

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 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 distribute the funds as follows:

- (1) First three percent (3%). – The Authority shall use at least two-thirds of the funds remitted to it under this subsection-subdivision for tourism-related expenditures and shall use the remainder to promote travel and tourism in Granville County. County and shall use the remainder for tourism-related expenditures.
- (2) Remainder. – The Authority shall use at least two-thirds of the funds remitted to it under this subdivision to promote travel and tourism and shall use the remainder for tourism expenditures.

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.
- (2) Promote travel and tourism. — To advertise or market an area or activity, publish and distribute pamphlets and other materials, conduct market research, or engage in similar promotional activities that attract tourists or business travelers to the county. The term includes administrative expenses incurred in engaging in the listed activities.
- (3) Tourism-related expenditures. — Expenditures that, in the judgment of the Authority, are designed to increase the use of lodging facilities in the county or to attract tourists or business travelers to the county. The term includes tourism-related capital expenditures."

SECTION 3. 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:

"(h) Definitions.

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.
- (2) Promote travel and tourism. – To advertise or market an area or activity, publish and distribute pamphlets and other materials, conduct market research, or engage in similar promotional activities that attract tourists or business travelers to the county. The term includes administrative expenses incurred in engaging in the listed activities.
- (3) Tourism-related expenditures. – Expenditures that, in the judgment of the Authority, are designed to increase the use of lodging facilities in the county or to attract tourists or business travelers to the county. The term includes tourism-related capital expenditures."

SECTION 4. Section 1(e) of Chapter 454 of the 1993 Session Laws, as amended by S.L. 2000-103 and Section 3 of this act, 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 ~~distribute the funds as follows:~~

- (1) ~~First Three Percent (3%).—The Authority shall use at least two-thirds of the funds remitted to it under this subdivision for tourism related expenditures and shall use the remainder to promote travel and tourism in Granville County.~~
- (2) ~~Remainder.—The Authority shall use at least two-thirds of the funds remitted to it under this subdivision-subsection to promote travel and tourism and shall use the remainder for tourism-expenditures."~~

SECTION 5. Section 4 of this act becomes effective October 1, 2019. The remainder of this act becomes effective October 1, 2007.

In the General Assembly read three times and ratified this the 2nd day of August, 2007.

s/ Beverly E. Perdue
President of the Senate

s/ Joe Hackney
Speaker of the House of Representatives