

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2011

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HOUSE BILL 326
Committee Substitute Favorable 9/14/11

Short Title: Buncombe Local Sales Tax For Comm. Colleges.

(Local)

Sponsors:

Referred to:

March 14, 2011

A BILL TO BE ENTITLED

AN ACT TO ALLOW BUNCOMBE COUNTY TO RESTRICT USE OF THE ADDITIONAL ONE-QUARTER PERCENT SALES TAX TO COMMUNITY COLLEGE CAPITAL OUTLAY PURPOSES, TO MAKE SUCH A RESTRICTION ON ANY SUCH TAX APPROVED BY THE VOTERS IN BUNCOMBE COUNTY IN 2011, TO PROVIDE FOR EXPIRATION OF THE TAX, AND TO REQUIRE A REVIEW AFTER TEN YEARS.

The General Assembly of North Carolina enacts:

SECTION 1. This act applies to Buncombe County only.

SECTION 2. G.S. 105-537 is amended by adding a new subsection to read:

"(b1) Alternative. – This subsection is an alternative to subsection (b) of this section. The county board of commissioners may, in directing the referendum to be held under subsection (b) of this section, provide that the county may use the proceeds of a tax levied under this Article only for community college capital outlay purposes and to retire indebtedness incurred by the county for these purposes, including previously authorized or issued debt. The resolution may also provide that the levy of the tax expires on a date certain.

In the case of any referendum held under this subsection without an expiration date, the form of the question to be presented on a ballot for a special election concerning the levy of the tax authorized by this Article shall be:

"[] FOR [] AGAINST

Local sales and use tax at the rate of one-quarter percent (0.25%) in addition to all other State and local sales and use taxes, to be used only for community college capital outlay purposes, including retirement of indebtedness issued for that purpose."

In the case of any referendum held under this subsection with an expiration date, the form of the question to be presented on a ballot for a special election concerning the levy of the tax authorized by this Article shall be:

"[] FOR [] AGAINST

Local sales and use tax at the rate of one-quarter percent (0.25%) in addition to all other State and local sales and use taxes, to be used only for community college capital outlay purposes, including retirement of indebtedness issued for that purpose, with the tax to expire on [insert date]."

SECTION 3. If the voters of Buncombe County approve a referendum in 2011 under G.S. 105-537, the tax levied under that section may be used only for community college capital outlay purposes and to retire indebtedness incurred by the county for these purposes, including previously authorized or issued debt, and the tax shall expire 18 years after its initial levy, but its expiration shall not affect the right to collect any taxes properly payable prior to



1 the expiration. The Board of Commissioners of Buncombe County shall conduct a public
2 hearing during the tenth year of the levy on the question of whether it should be repealed prior
3 to its scheduled expiration.

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