

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2005**

**SESSION LAW 2005-120
HOUSE BILL 1056**

AN ACT TO AMEND THE DEADLINE FOR THE DEVELOPMENT OF A
CONVENTION CENTER PLAN FOR CARTERET COUNTY.

The General Assembly of North Carolina enacts:

SECTION 1. Section 5 of S.L. 2001-381 reads as rewritten:

"SECTION 5. Additional occupancy tax. – In addition to the occupancy tax authorized by Section 2 of this act, the Board of Commissioners of Carteret County may levy an additional room occupancy and tourism development tax of one percent (1%) of the gross receipts derived from the rental of accommodations taxable under Section 2 of this act if the following conditions have been met:

- (1) A development plan for the construction of a convention center has been approved by resolution of the board of county commissioners and the governing board of the municipality where the center is to be located by June 30, ~~2006~~2008; and
- (2) There is a signed contract between the appropriate local governments and a private developer that includes financing commitments for construction to begin no later than July 1, ~~2007~~2009.

The tax authorized by this section may not become effective earlier than July 1, ~~2006~~2008. The county may not levy a tax under this section unless it also levies the tax under Section 2 of this act. The levy, collection, administration, and repeal of the tax authorized by this section shall be in accordance with Section 2 of this act.

If the conditions in subdivisions (1) and (2) of this section have been met and the one-cent (1¢) room occupancy tax described in this section is levied, the county's authority to levy the one-cent (1¢) tax is repealed on the first day of the second month following the date that a cumulative total of ten million dollars (\$10,000,000) in proceeds from this one-cent (1¢) tax has been collected. For purposes of this section, the cumulative total of ten million dollars (\$10,000,000) is calculated beginning on July 1, ~~2006~~2008.

Surplus proceeds from the one-cent (1¢) room occupancy tax described in this section beyond the ten million dollar (\$10,000,000) cumulative total that are collected before the repeal date shall be redistributed to the Tourism Development Authority and used only to promote travel and tourism.

If the actual cost of the convention center is less than ten million dollars (\$10,000,000), any proceeds from the one-cent (1¢) occupancy tax collected but not spent shall be redistributed to the Tourism Development Authority and used to promote travel and tourism.

If construction on the convention center has not begun by July 1, ~~2007,2009~~, the county's authority to levy the one-cent (1¢) room occupancy tax described in this section is repealed on September 1, ~~2007,2009~~. Any funds collected before the repeal date shall be redistributed to the Tourism Development Authority and used only to promote travel and tourism."

SECTION 2. Section 6(b) of S.L. 2001-381 reads as rewritten:

"**SECTION 6.(b)** If the conditions in subdivisions (1) and (2) of Section 5 of this act are met, and the additional occupancy tax authorized by Section 5 is levied, this section becomes effective the later of July 1, ~~2006,2008~~, or the effective date of the tax levied under Section 5 of this act. Otherwise, this section does not go into effect."

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

In the General Assembly read three times and ratified this the 28th day of June, 2005.

s/ Marc Basnight
President Pro Tempore of the Senate

s/ James B. Black
Speaker of the House of Representatives