

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2009

SESSION LAW 2009-395  
HOUSE BILL 311

AN ACT TO CONTINUE THE CONSTRUCTION FUNDING OF SCHOOLS THROUGH  
THE FIRST AND THE SECOND ONE-HALF CENT SALES AND USE TAXES.

The General Assembly of North Carolina enacts:

**SECTION 1.** G.S. 105-487(a) reads as rewritten:

"§ 105-487. **Use of additional tax revenue by counties.**

(a) Except as provided in subsection (c), forty percent (40%) of the revenue received by a county from additional one-half percent (1/2%) sales and use taxes levied under this Article during the first five fiscal years in which the additional taxes are in effect in the county and thirty percent (30%) of the revenue received by a county from these taxes ~~in the next 23~~ after the first five fiscal years in which the taxes are in effect in the county may be used by the county only for public school capital outlay purposes as defined in G.S. 115C-426(f) or to retire any indebtedness incurred by the county for these purposes."

**SECTION 2.** G.S. 105-502(a) reads as rewritten:

"§ 105-502. **(Effective October 1, 2009) Use of additional tax revenue by counties.**

(a) Restriction. – ~~For the first 25 fiscal years in which taxes levied under this Article by a county are in effect, the~~ The county must use sixty percent (60%) of the amount of revenue specified in this subsection for public school capital outlay purposes as defined in G.S. 115C-426(f) or to retire any indebtedness incurred by the county for these purposes during the period beginning five years prior to the date the taxes took effect:

- (1) The amount of revenue the county receives under this Article.
- (2) If the amount allocated to the county under G.S. 105-486 is greater than the amount allocated to the county under G.S. 105-501(a), the difference between the two amounts."

**SECTION 3.** This act becomes effective January 1, 2010, and applies to sales made on or after that date.

In the General Assembly read three times and ratified this the 23<sup>rd</sup> day of July, 2009.

s/ Walter H. Dalton  
President of the Senate

s/ William L. Wainwright  
Speaker Pro Tempore of the House of Representatives

s/ Beverly E. Perdue  
Governor



Approved 12:47 p.m. this 31<sup>st</sup> day of July, 2009