**§ 153A-317.1. Urban research service district taxes authorized; rate.**

(a) Tax Authorized. – A county, upon recommendation of the advisory committee established pursuant to G.S. 153A-316.2, may levy property taxes within a URSD in addition to those levied throughout the county, and in addition to those levied throughout the county research and production service district, in order to finance, provide, or maintain for the URSD services provided therein in addition to or to a greater extent than those financed, provided, or maintained both for the entire county and for the county research and production service district. Only those services that cities are authorized by law to provide may be provided. In addition, a county may allocate to a URSD any other revenue not otherwise restricted by law.

(b) Rate. – Property subject to taxation in a newly established URSD or in an area annexed to an existing URSD is that subject to taxation by the county as of the preceding January. The maximum tax rate set forth in G.S. 153A-317 shall not apply to the URSD. The additional property taxes within any URSD may not be levied in excess of the rate levied in the prior year by a city that:

(1) Is the largest city in population that is contiguous to the county research and production service district where the URSD is located.

(2) Is located primarily within the same county the URSD is located.

(c) Use. – The proceeds of taxes levied within a URSD may be expended only for the benefit of the URSD. The taxes levied for the URSD may be used for debt service on any debt issued by the county that is used wholly or partly for capital projects located within the URSD, but not in greater proportion than expense of projects located within the URSD bear to the entire expense of capital projects financed by that borrowing of the county. For the purpose of this subsection, "debt" includes (i) general obligation bonds and notes issued under Chapter 159 of the General Statutes, (ii) revenue bonds issued under Chapter 159 of the General Statutes, (iii) financing agreements under Article 8 of Chapter 159 of the General Statutes, and (iv) special obligation bonds issued by the county. (2012-73, s. 1.)