

March 29, 2001

**H 861. UNION COUNTY SCHOOL TAX REFERENDA.** *TO AUTHORIZE UNION COUNTY TO HOLD A REFERENDUM ON LEVYING TAXES FOR SCHOOL CONSTRUCTION.* Authorizes board of comm'rs, subject to approval of voters at referendum, to levy a second one-cent local sales tax in addition to one-cent local sales tax and two half-cent sales taxes. Tax will be levied, collected, and administered as per GS 105, Art. 39; tax does not apply to sales price of food exempt under GS 105-164.13B. Tax proceeds may be used only for public school capital outlay purposes or to retire indebtedness incurred for those purposes. Requires county to continue to spend for public school capital outlay purposes the same amount that it would have spent for those purposes if the tax had not been levied. Authority to levy tax expires five years after tax is first levied. Tax expires five years after date of levy. Also authorizes board of comm'rs, subject to approval of voters at referendum and after public hearing, to impose and collect an impact tax on each new dwelling to help defray the cost of public school capital needs created by new residential development. If adopted, impact tax may not exceed \$2,500 per new dwelling unit. Proceeds of impact tax must be deposited in public school capital costs reserve fund and may be expended only for public school capital needs. Authorizes county to establish two or more zones or districts in county and apply impact tax proceeds generated within each zone or district to public school capital needs within that zone or district. Authority to impose impact tax expires five years after effective date of first ordinance levying tax. Ordinance imposing impact tax expires five years after adoption.

**Intro. by Shubert.**

Ref. to Rules	UNION
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