May 15, 2006

S 1395. GASTON COUNTY TAX FOR SCHOOL CONSTRUCTION. Filed 5/15/06. *TO AUTHORIZE GASTON COUNTY TO LEVY A ONE-HALF CENT LOCAL SALES AND USE TAX FOR PUBLIC SCHOOL CAPITAL OUTLAY PURPOSES*. Adds new GS Chapter 105, Article 46, applicable only to Gaston County. Authorizes board of county commissioners to direct the county board of elections to conduct a special election on a jointly agreed-on date, on the question of whether to levy an additional local 1/2% sales and use tax in the county. Proposed tax does not apply to the sales price of food that is exempt from state sales tax pursuant to GS 105-164.13B. If the levy of taxes is approved by the voters, tax proceeds are to be distributed in accordance with GS Chapter 105, Article 39 (local government sales and use tax). The proceeds are to be used only for public school capital outlay purposes (capital outlay) as defined in GS 115C-426(f), and to retire indebtedness incurred by the county for capital outlay. States that purpose of Article 46 is for counties to appropriate funds generated by the tax to increase the level of county spending for capital outlay above the level of spending before the levy of the tax. Requires county to continue to spend for public school capital outlay purposes the same amount of money it would have spent for those purposes if it had not levied the tax.

Intro. by Hoyle. GASTON