

**GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2005**

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**SENATE BILL 481**

Short Title: Cumberland County Occupancy Tax.

(Local)

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Sponsors: Senator Shaw.

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Referred to: Finance.

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March 10, 2005

A BILL TO BE ENTITLED

AN ACT TO AMEND THE OCCUPANCY TAX FOR CUMBERLAND COUNTY.

The General Assembly of North Carolina enacts:

**SECTION 1.** Section 2 of Chapter 983 of the 1983 Session Laws, as amended by S.L. 2001-484, is amended by adding a new section to read:

"(a2) **Second Additional Tax.** – In addition to the taxes authorized by subsections (a) and (a1) of this section, the Cumberland County Board of Commissioners may levy a room occupancy tax of up to one-half percent (1/2%) of the gross receipts derived from the rental of accommodations taxable under subsection (a). The levy, collection, administration, use, and repeal of the tax authorized by this subsection shall be in accordance with this act. Cumberland County may not levy a tax under this subsection unless it also levies a tax under subsections (a) and (a1) of this section."

**SECTION 2.** Section 4 of Chapter 983 of the 1983 Session Laws, as amended by S.L. 2001-484, is amended by adding a new section to read:

"Sec. 4.2. **Distribution and use of second additional tax.** – The Cumberland County Board of Commissioners shall, on a quarterly basis, remit the net proceeds of the occupancy tax levied under subsection (a2) of Section 2 of this act to the Martin Luther King, Jr. Committee."

**SECTION 3.** Section 5(a) of Chapter 983 of the 1983 Session Laws, as amended by S.L. 2001-484, reads as rewritten:

"Sec. 5.

(a) **Appointment and Membership of Tourism Development Authority.** – When the Cumberland County Board of Commissioners adopts a resolution levying a room occupancy tax under this act, it shall adopt a resolution creating a county Tourism Development Authority, which shall be a public authority under the Local Government Budget and Fiscal Control Act. The resolution shall provide for the membership of the Authority including the members' terms of office and for the filling of vacancies on the Authority. The county board of commissioners shall designate one member of the Authority as chair and shall determine the compensation, if any, to be paid to members

1 of the Authority. All members to the Authority, whether in an appointed or ex officio  
2 capacity, shall have equal rights and privileges. The Authority shall be composed of the  
3 following members:

- 4 (1) Two representatives nominated by hotels and motels within the county  
5 which have in excess of 100 rooms subject to this occupancy tax and  
6 appointed by the county board of commissioners.
- 7 (2) Two representatives nominated by hotels and motels within the county  
8 which have fewer than 100 rooms subject to this occupancy tax and  
9 appointed by the county board of commissioners.
- 10 (3) The President of the Fayetteville Area Chamber of Commerce, in an  
11 ex officio capacity.
- 12 (4) The County Manager of Cumberland County, in an ex officio capacity.
- 13 (5) One member of the public who is not affiliated with travel and tourism  
14 and who reflects the cultural diversity of the county.
- 15 (6) Two at-large members who are residents of Cumberland County."

16 **SECTION 4.** This act is effective when it becomes law.