

March 27, 2007

H 1135. SWAIN COUNTY LOCAL OPTION SALES TAX. Filed 3/27/07. *TO AUTHORIZE SWAIN COUNTY TO LEVY A ONE-CENT LOCAL SALES AND USE TAX FOR PUBLIC SCHOOL CAPITAL OUTLAY PURPOSES.*

Adds a new Article 46 (Second One-Cent Local Government Sales and Use Tax Act) to GS Chapter 105 to authorize the Swain County Board of Commissioners to levy a temporary one-cent sales and use tax in addition to the existing 2½ cents of local sales taxes under GS Chapter 105, Articles 39, 40, 42, and 44. The county board of commissioners may levy the tax by resolution only after giving at least ten days' public notice and holding a public hearing on the issue. Levy, collection, and administration of the tax are governed by GS Chapter 105, Article 39, except that the tax does not apply to food. The tax proceeds will be distributed to the taxing county on a point-of-origin basis and must be used only for public school capital outlay purposes and to retire debt incurred by the county for these purposes. Directs the county to use the funding to increase county spending for public school capital outlay purposes and not to supplant current funding. Tax does not apply to construction materials purchased to fulfill a lump-sum or unit-price contract entered into or awarded before the effective date of the levy or entered into or awarded pursuant to a bid made before the effective date of the levy.

Intro. by Haire.

SWAIN