

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2007

S

3

SENATE BILL 384
Finance Committee Substitute Adopted 6/20/07
House Committee Substitute Favorable 7/27/07

Short Title: Granville County Occupancy Tax Modifications. (Local)

Sponsors:

Referred to:

February 28, 2007

1 A BILL TO BE ENTITLED
2 AN ACT TO AUTHORIZE GRANVILLE COUNTY TO LEVY AN ADDITIONAL
3 ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX AND TO
4 MODIFY THE DISTRIBUTION FORMULA.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Section 1 of Chapter 454 of the 1993 Session Laws, as
7 amended by S.L. 2000-103, is amended by adding a new subsection to read:

8 "(a1) Authorization of Additional Tax.

9 In addition to the tax authorized by subsection (a) of this section, the Granville
10 County Board of Commissioners may levy an additional room occupancy tax of one
11 percent (1%) of the gross receipts derived from the rental of accommodations taxable
12 under subsection (a) of this section. The levy, collection, administration, and repeal of
13 the tax authorized by this subsection shall be in accordance with the provisions of this
14 section. Granville County may not levy a tax under this subsection unless it also levies
15 the tax authorized under subsection (a) of this section."

16 **SECTION 2.** Section 1(e) of Chapter 454 of the 1993 Session Laws, as
17 amended by S.L. 2000-103, reads as rewritten:

18 "(e) Distribution and Use of Tax Revenue.

19 The county shall, on a quarterly basis, remit the net proceeds of the occupancy tax to
20 the Granville County Tourism Development Authority. The Authority shall distribute
21 the funds as follows:

- 22 (1) First three percent (3%). – The Authority shall use at least two-thirds
23 of the funds remitted to it under this ~~subsection~~ ~~subdivision~~ for
24 tourism-related expenditures and shall use the remainder to promote
25 travel and tourism in Granville County. ~~County and shall use the~~
26 remainder for tourism-related expenditures.

- 1 (2) Remainder. – The Authority shall use at least two-thirds of the funds
2 remitted to it under this subdivision to promote travel and tourism and
3 shall use the remainder for tourism expenditures.

4 The following definitions apply in this subsection:

- 5 (1) ~~Net proceeds. – Gross proceeds less the cost to the county of~~
6 ~~administering and collecting the tax, as determined by the finance~~
7 ~~officer, not to exceed three percent (3%) of the gross proceeds.~~
8 (2) ~~Promote travel and tourism. – To advertise or market an area or~~
9 ~~activity, publish and distribute pamphlets and other materials, conduct~~
10 ~~market research, or engage in similar promotional activities that attract~~
11 ~~tourists or business travelers to the county. The term includes~~
12 ~~administrative expenses incurred in engaging in the listed activities.~~
13 (3) ~~Tourism-related expenditures. – Expenditures that, in the judgment of~~
14 ~~the Authority, are designed to increase the use of lodging facilities in~~
15 ~~the county or to attract tourists or business travelers to the county. The~~
16 ~~term includes tourism-related capital expenditures."~~

17 **SECTION 3.** Section 1 of Chapter 454 of the 1993 Session Laws, as
18 amended by S.L. 2000-103, is amended by adding a new subsection to read:

19 "(h) Definitions.

20 The following definitions apply in this subsection:

- 21 (1) Net proceeds. – Gross proceeds less the cost to the county of
22 administering and collecting the tax, as determined by the finance
23 officer, not to exceed three percent (3%) of the gross proceeds.
24 (2) Promote travel and tourism. – To advertise or market an area or
25 activity, publish and distribute pamphlets and other materials, conduct
26 market research, or engage in similar promotional activities that attract
27 tourists or business travelers to the county. The term includes
28 administrative expenses incurred in engaging in the listed activities.
29 (3) Tourism-related expenditures. – Expenditures that, in the judgment of
30 the Authority, are designed to increase the use of lodging facilities in
31 the county or to attract tourists or business travelers to the county. The
32 term includes tourism-related capital expenditures."

33 **SECTION 4.** Section 1(e) of Chapter 454 of the 1993 Session Laws, as
34 amended by S.L. 2000-103 and Section 3 of this act, reads as rewritten:

35 "(e) Distribution and Use of Tax Revenue.

36 The county shall, on a quarterly basis, remit the net proceeds of the occupancy tax to
37 the Granville County Tourism Development Authority. The Authority shall ~~distribute~~
38 ~~the funds as follows:~~

- 39 (1) ~~First Three Percent (3%). – The Authority shall use at least two thirds~~
40 ~~of the funds remitted to it under this subdivision for tourism related~~
41 ~~expenditures and shall use the remainder to promote travel and tourism~~
42 ~~in Granville County.~~

1 (2) ~~Remainder.~~—The Authority shall use at least two-thirds of the funds
2 remitted to it under this ~~subdivision~~subsection to promote travel and
3 tourism and shall use the remainder for tourism-expenditures."

4 **SECTION 5.** Section 4 of this act becomes effective October 1, 2019. The
5 remainder of this act becomes effective October 1, 2007.