

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2007

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SENATE DRS55149-MC<sub>x</sub>-80 (2/27)

Short Title: Alexander County Local Option Sales Tax. (Local)

Sponsors: Senator Goss (By Request).

Referred to:

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE ALEXANDER COUNTY TO LEVY A ONE-CENT  
LOCAL SALES AND USE TAX AT THE REQUEST OF THE ALEXANDER  
COUNTY COMMISSION.

The General Assembly of North Carolina enacts:

**SECTION 1.** This act applies to Alexander County only.

**SECTION 2.** Subchapter VIII of Chapter 105 of the General Statutes is amended by adding a new Article to read:

"Article 46.

"Second One-Cent (1¢) Local Government Sales and Use Tax.

**"§ 105-535. Short title.**

This Article is the Second One-Cent (1¢) Local Government Sales and Use Tax Act.

**"§ 105-536. Limitations.**

This Article applies only to counties that levy the first one-cent (1¢) local sales and use tax under Article 39 of this Chapter or under Chapter 1096 of the 1967 Session Laws, the first one-half cent (1/2¢) local sales and use tax under Article 40 of this Chapter, the second one-half cent (1/2¢) local sales and use tax under Article 42 of this Chapter, and the third one-half cent (1/2¢) local sales and use tax under Article 44 of this Chapter.

**"§ 105-537. Levy of tax.**

The board of commissioners of a county may, by resolution, levy one percent (1%) local sales and use taxes in addition to any other State and local sales and use taxes levied pursuant to law. Before adopting a resolution under this Article, the board of commissioners must give at least 10 days' public notice of its intent to adopt the resolution and must hold a public hearing on the issue of adopting the resolution.

**"§ 105-538. Administration.**

1        Except as provided in this Article, the adoption, levy, collection, administration, and  
2 repeal of the additional taxes authorized by this Article shall be in accordance with  
3 Article 39 of this Chapter. A tax levied under this Article does not apply to the sales  
4 price of food that is exempt from tax pursuant to G.S. 105-164.13B.

5 **"§ 105-539. Distribution and use of taxes.**

6        The Secretary shall, on a monthly basis, distribute to each taxing county the net  
7 proceeds of the tax collected in that county under this Article. If the Secretary collects  
8 taxes under this Article in a month and the taxes cannot be identified as being  
9 attributable to a particular taxing county, the Secretary shall allocate these taxes among  
10 the taxing counties in proportion to the amount of taxes collected in each county under  
11 this Article in that month and shall include them in the monthly distribution. The  
12 proceeds of a tax levied under this Article may be used for any lawful public purpose."

13        **SECTION 3.** A tax levied under Article 46 of Chapter 105 of the General  
14 Statutes, as enacted by this act, does not apply to construction materials purchased to  
15 fulfill a lump-sum or unit-price contract entered into or awarded before the effective  
16 date of the levy or entered into or awarded pursuant to a bid made before the effective  
17 date of the levy when the construction materials would otherwise be subject to the tax  
18 levied under Article 46 of Chapter 105 of the General Statutes.

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