

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2013

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HOUSE BILL 1044  
Senate State and Local Government Committee Substitute Adopted 6/24/14

Short Title: Averasboro Township TDA Changes.

(Local)

Sponsors:

Referred to:

May 15, 2014

A BILL TO BE ENTITLED

AN ACT TO MAKE CHANGES TO THE AVERASBORO TOWNSHIP TOURISM  
DEVELOPMENT AUTHORITY.

The General Assembly of North Carolina enacts:

**SECTION 1.** Chapter 142 of the 1987 Session Laws, as amended by Part XII of  
S.L. 2001-439, reads as rewritten:

**"Section 1.** Occupancy Tax. – (a) Authorization and Scope. – The Harnett County Board of  
Commissioners may levy a room occupancy tax in an amount not to exceed three percent (3%)  
of the gross receipts derived from the rental of any room, lodging, or similar accommodation  
furnished by a hotel, motel, inn, or similar place within Averasboro Township that is subject to  
sales tax imposed by the State under G.S.105-164.4(a)(3). This tax is in addition to any State or  
local sales tax. This tax does not apply to accommodations furnished by nonprofit charitable,  
educational, or religious institutions or organizations.

(a1) Additional Occupancy Tax. – In addition to the tax authorized by subsection (a) of  
this section, the Harnett County Board of Commissioners may levy a room occupancy tax of  
three percent (3%) of the gross receipts derived from the rental of accommodations taxable  
under that subsection. The county may not levy a tax under this section unless it also levies the  
tax under subsection (a) of this section. A tax levied under this section may not become  
effective before the first day of the second month after the resolution levying the tax is adopted.  
The levy, collection, administration, and repeal of the tax authorized by this subsection shall be  
in accordance with this section.

(b) Repealed.

(c) Administration. – For the purpose of levying and administering the tax authorized  
by this act, Averasboro Township shall be a body politic and corporate and shall have the  
power to carry out the provisions of this act. The Harnett County Board of Commissioners shall  
serve, ex officio, as the governing body of the Township, and the officers of the board of  
commissioners shall serve as the officers of the governing body of the township. A simple  
majority of the governing body constitutes a quorum, and approval by a majority of those  
present is sufficient to determine any matter before the governing body, if a quorum is present.

The Harnett County Board of Commissioners, as the governing body of Averasboro  
Township, shall administer a tax levied under this act. A tax levied under this act shall be  
levied, administered, collected, and repealed as provided in G.S. 153A-155 as if Averasboro  
Township were a county. The penalties provided in G.S. 153A-155 apply to a tax levied under  
this act.

(d) Repealed.



1 (e) Distribution and Use of Tax Revenue. – The township shall, on a ~~quarterly~~ monthly  
 2 basis, remit the net proceeds of the occupancy tax to the Averasboro Township Tourism  
 3 Development Authority. The Authority shall use at least two-thirds of the funds remitted to it  
 4 under this subsection to promote travel and tourism in Averasboro Township and shall use the  
 5 remainder for tourism-related expenditures.

6 The following definitions apply in this subsection:

- 7 (1) Net proceeds. – Gross proceeds less the cost to the township of  
 8 administering and collecting the tax, as determined by the finance officer,  
 9 not to exceed three percent (3%) of the first five hundred thousand dollars  
 10 (\$500,000) of gross proceeds collected each year and one percent (1%) of  
 11 the remaining gross receipts collected each year.
- 12 (2) Promote travel and tourism. – To advertise or market an area or activity,  
 13 publish and distribute pamphlets and other materials, conduct market  
 14 research, or engage in similar promotional activities that attract tourists or  
 15 business travelers to the area. The term includes administrative expenses  
 16 incurred in engaging in the listed activities.
- 17 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the  
 18 Tourism Development Authority, are designed to increase the use of lodging  
 19 facilities, meeting facilities, or convention facilities in a township or to  
 20 attract tourists or business travelers to the township. The term includes  
 21 tourism-related capital expenditures.

22 (f) Repealed.

23 (g) Repealed.

24 "**Sec. 2.** Tourism Development Authority. – (a) Appointment and membership. – When the  
 25 board of commissioners adopts a resolution levying a room occupancy tax under this act, it  
 26 shall also adopt a resolution creating an Averasboro Township Tourism Development  
 27 Authority, which shall be a public authority under the Local Government Budget and Fiscal  
 28 Control Act. There shall be ~~seven~~ nine members of the Authority as follows:

- 29 (1) Three members, appointed by the Authority from applications submitted to  
 30 the Authority, each of whom is a hotel, motel, or bed and breakfast operator  
 31 from Averasboro Township.
- 32 (2) One individual currently active in tourism promotion and who does not own  
 33 or operate a hotel, motel, or other taxable tourist accommodation, to be  
 34 appointed by the Authority from applications submitted to the Authority.
- 35 (3) One individual currently active in tourism promotion and who does not own  
 36 or operate a hotel, motel, or other taxable tourist accommodation. This  
 37 individual will be the President of the Dunn Area Chamber of Commerce or  
 38 a designee to be appointed by the Board of Directors of the Dunn Area  
 39 Chamber of Commerce. ~~Two members appointed by the board of~~  
 40 ~~commissioners from nominations submitted by the Dunn Area Chamber of~~  
 41 ~~Commerce, one who is a hotel or motel operator from Averasboro Township~~  
 42 ~~and one who is a representative of the travel industry;~~
- 43 ~~(2)~~(4) The Harnett County Manager, to serve ex officio; ~~officio.~~
- 44 ~~(3)~~(5) The A Harnett County Commissioner representing Averasboro Township, to  
 45 serve ex officio; ~~officio.~~
- 46 (4) ~~The President of the Dunn Area Chamber of Commerce, to serve ex officio;~~
- 47 (5) ~~The Vice President of Economic and Industrial Development of the Dunn~~  
 48 ~~Area Chamber of Commerce, to serve ex officio; and~~
- 49 (6) The City Manager of the Town of Dunn, to serve ex officio.
- 50 (7) A city council member of Dunn, appointed by the Dunn City Council, to  
 51 serve ex officio.

1 ~~The members appointed by the board of commissioners shall serve for a term of one year;~~  
2 ~~vacancies.~~ Vacancies shall be filled in the same manner as the initial appointments. All of the  
3 members, including those who serve ex officio, shall be voting members of the Authority. A  
4 majority of the members shall constitute a quorum for the transaction of business and an  
5 affirmative vote of the majority of the members present at a meeting of the Authority shall be  
6 required to constitute action of the Authority. ~~The board of commissioners.~~ Authority shall  
7 designate one member of the Authority as chair and one member of the Authority to serve as  
8 vice-chair and shall determine the compensation, if any, to be paid to members of the  
9 Authority.

10 The Authority shall meet monthly or at the call of the chair and shall adopt rules of  
11 procedure to govern its meetings. The Finance Officer for ~~Harnett County~~ the City of Dunn  
12 shall be the ex officio finance officer of the Authority.

13 (b) Duties.— The authority shall develop, promote, and advertise travel and tourism in  
14 Averasboro Township, sponsor tourist-oriented events and activities for Averasboro Township,  
15 operate and maintain museums and historic sites throughout Averasboro Township, and  
16 purchase, operate, ~~and~~ maintain a convention facility for Averasboro ~~Township.~~ Township, and  
17 finance tourist-related capital projects in Averasboro Township.

18 (c) Reports.— The Authority shall report quarterly and at the close of the fiscal year to  
19 the board of county commissioners on its receipts and expenditures for the preceding quarter  
20 and for the year in such detail as the board may require.

21 "Sec. 3. This act is effective upon ratification."

22 **SECTION 2.** This act is effective when it becomes law and applies to the  
23 distribution of the net proceeds of the occupancy tax on or after the earlier of October 1, 2014,  
24 or the date specified in a resolution adopted in accordance with this act.