

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2015

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HOUSE BILL 531

Short Title: Increase/Modify Goldsboro Occupancy Tax. (Local)

Sponsors: Representatives J. Bell, Dixon, and L. Bell (Primary Sponsors).

*For a complete list of Sponsors, refer to the North Carolina General Assembly Web Site.*

Referred to: Finance.

April 2, 2015

1 A BILL TO BE ENTITLED  
2 AN ACT TO PROMOTE TOURISM, AGRICULTURE, AND MILITARY RELATIONS IN  
3 THE CITY OF GOLDSBORO BY MODIFYING THE GOLDSBORO OCCUPANCY  
4 TAX.

5 The General Assembly of North Carolina enacts:

6 **SECTION 1.** Sections 2 through 9 of Chapter 555 of the 1991 Session Laws, as  
7 amended by Section 1 of S.L. 1997-447, Section 60(l) of S.L. 2013-414, and Section 14.23 of  
8 S.L. 2014-3, reads as rewritten:

9 "Sec. 2. Levy of Tax. The City of Goldsboro may levy a room occupancy and tourism  
10 development tax.

11 The room occupancy and tourism development tax that may be levied under this act shall  
12 not be less than three percent (3%) nor more than five percent (5%) of the gross receipts  
13 derived from the rental of any room, lodging, or similar accommodation furnished by ~~any a~~  
14 hotel, motel, inn, ~~tourist camp,~~ or other similar place within the levying unit now subject to the  
15 ~~three percent (3%)~~ sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in  
16 addition to any State or local sales tax.

17 "Sec. 2A. Authorization of Additional Tax. – In addition to the tax authorized by  
18 subsection (a) of this section, the City of Goldsboro may levy an additional room occupancy  
19 tax of up to one percent (1%) of the gross receipts derived from the rental of accommodations  
20 taxable under subsection (a) of this section. The levy, collection, administration, and repeal of  
21 the tax authorized by this subsection shall be in accordance with the provisions of this section.  
22 The City of Goldsboro may not levy a tax under this subsection unless it also levies the tax  
23 authorized under subsection (a) of this section at the rate of five percent (5%).

24 "Sec. 5. Administration of Tax. A tax levied under this section shall be levied,  
25 administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in  
26 G.S. 160A-215 apply to a tax levied under this section.

27 "~~Sec. 7. Disposition of Taxes Collected. (a) Feasibility Study. After levying a tax under~~  
28 ~~this act, the City of Goldsboro shall place the net proceeds of the tax in a special fund. 'Net~~  
29 ~~proceeds' means gross proceeds less the cost to the city of collecting and administering the tax.~~  
30 ~~When sufficient proceeds have been accumulated in the special fund, the city council shall~~  
31 ~~create a citizens' advisory committee to conduct a study of the feasibility of the construction of~~  
32 ~~a civic center in Goldsboro. The citizens' advisory committee shall be composed of either five~~  
33 ~~or seven members, as determined by the city council. If the committee is composed of five~~  
34 ~~members, three shall be appointed by the city council and two shall be appointed by the~~  
35 ~~Chamber of Commerce of Wayne County. If the committee is composed of seven members,~~



1 four shall be appointed by the city council and three shall be appointed by the Chamber of  
2 Commerce of Wayne County. The city shall remit no more than twenty percent (20%) of the  
3 net proceeds of the tax levied under this act to the Goldsboro Tourism Council created in  
4 Section 8 of this act. The Council shall use the proceeds to develop tourism, support services,  
5 and tourist related events, and for any other appropriate activities to provide tourism related  
6 facilities and attractions. The citizens' advisory committee shall use the remainder of the net  
7 proceeds of the tax levied under this act for a study of the feasibility of the construction of a  
8 civic center in Goldsboro.

9 (b) ~~If Civic Center Feasible.~~ If the Goldsboro City Council determines that the results of  
10 the feasibility study indicate that a civic center would be a viable alternative for the city, the  
11 proceeds of the tax levied under this act shall thereafter be used as provided in this subsection.  
12 The citizens' advisory committee created pursuant to subsection (a) of this section shall  
13 continue to serve in an advisory capacity to the Goldsboro City Council. The city shall remit no  
14 more than twenty percent (20%) of the net proceeds of the tax levied under this act to the  
15 Goldsboro Tourism Council created in Section 8 of this act. The Council shall use the proceeds  
16 to develop tourism, support services, and tourist related events, and for any other appropriate  
17 activities to provide tourism related facilities and attractions. The city shall use the remainder  
18 of the net proceeds for improving, leasing, constructing, financing, operating, or acquiring  
19 facilities and properties as needed to provide for a civic center facility for Goldsboro. The city  
20 may contract with any person, firm, or agency to assist it in carrying out the purposes provided  
21 in this subsection.

22 (c) ~~If Civic Center Not Feasible at Present.~~ If the Goldsboro City Council determines  
23 that the results of the feasibility study indicate that a civic center would not be a viable  
24 alternative for the city at present or without the participation of other governmental,  
25 educational, or nonprofit entities, then the city may, on a monthly basis, remit up to fifty  
26 percent (50%) of the net proceeds of the tax to the Goldsboro Tourism Council created in  
27 Section 8 of this act. The Council shall use the proceeds to develop tourism, support services,  
28 and tourist related events, and for any other appropriate activities to provide tourism related  
29 facilities and attractions. The remaining net proceeds of the tax shall be invested in a special  
30 interest bearing fund and held by the city for improving, leasing, constructing, financing,  
31 operating, or acquiring facilities and properties, either by the city or in conjunction with other  
32 governmental, educational, or nonprofit entities. Thereafter, if the Goldsboro City Council  
33 determines that a civic center would be a viable alternative for the city, then a citizens' advisory  
34 committee shall be again created, if it has been disbanded, pursuant to subsection (a) of this  
35 section, and the provisions of subsection (b) of this section shall apply. Further, the citizens'  
36 advisory committee may conduct additional feasibility studies as it deems necessary. If the  
37 Goldsboro City Council later determines that a civic center would not be a viable alternative for  
38 the city, then the provisions of subsection (d) of this section shall apply.

39 (d) ~~If Civic Center Not Feasible.~~ If the Goldsboro City Council determines that the  
40 results of the feasibility study indicate that a civic center would not be a viable alternative for  
41 the city, the proceeds of the tax levied under this act shall thereafter be used as provided in this  
42 subsection. The citizens' advisory committee created pursuant to subsection (a) of this section  
43 shall be disbanded. The city shall, on a monthly basis, remit the net proceeds of the tax to the  
44 Goldsboro Tourism Council created in Section 8 of this act. The Council shall use the proceeds  
45 to develop tourism, support services, and tourist related events, and for any other appropriate  
46 activities to provide tourism related facilities and attractions.

47 "Sec. 7A. Distribution and Use of Tax Revenue. – The City of Goldsboro shall, on a  
48 quarterly basis, remit the net proceeds of the occupancy tax levied under this section to the  
49 Goldsboro Tourism Development Authority. The Authority shall use at least one-third of the  
50 funds remitted to it under this subsection to promote travel and tourism in the City of  
51 Goldsboro and shall use the remainder for tourism-related expenditures.

1        The following definitions apply in this section:

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

14        ~~"Sec. 8. – Goldsboro Tourism Council. (a) The Goldsboro City Council shall adopt a~~  
15 ~~resolution creating a Goldsboro Tourism Council. The membership of the Goldsboro Tourism~~  
16 ~~Council shall be appointed by the Goldsboro City Council as follows:~~

- 17            (1)    ~~Three owners or operators of hotels, motels, or other taxable~~  
18            ~~accommodations in the City of Goldsboro.~~
- 19            (2)    ~~Three individuals who have demonstrated an interest in conventions and~~  
20            ~~tourism development in the Goldsboro area, and who do not own or operate~~  
21            ~~hotels, motels, or other taxable tourism accommodations~~
- 22            (3)    ~~Three ex-officio members: the city manager, the executive vice president of~~  
23            ~~the Chamber of Commerce of Wayne County, and the mayor of the City of~~  
24            ~~Goldsboro.~~

25        ~~(b) All members of the Council shall serve without compensation. Travel expenses, as~~  
26 ~~approved in the annual budget, may be provided by the Goldsboro Tourism Council. Vacancies~~  
27 ~~in the Council shall be filled in the same manner as the original appointments. Members~~  
28 ~~appointed to fill vacancies shall serve for the remainder of the unexpired term for which they~~  
29 ~~are appointed to fill. Members shall serve three-year terms which will be staggered as provided~~  
30 ~~by the city council; members may serve no more than two consecutive three-year terms. The~~  
31 ~~members shall elect a chairperson and treasurer, who shall serve for a term of two years. The~~  
32 ~~Council shall meet at the call of the chairperson and shall adopt rules of procedure to govern its~~  
33 ~~meeting as provided by Robert's Rules of Order.~~

34        ~~(c) The Goldsboro Tourism Council may contract with any person, firm, or agency to~~  
35 ~~assist it in carrying out the purposes provided in this act. The Council shall prepare an annual~~  
36 ~~budget and shall report quarterly and at the close of the fiscal year to the Goldsboro City~~  
37 ~~Council on its receipts and expenditures for the preceding quarter and year in such detail as the~~  
38 ~~city may require. An audit will be conducted as part of the city's audit contract.~~

39        "Sec. 8A. Tourism Development Authority. (a) Appointment and Membership. – When the  
40 City Council adopts a resolution levying a room occupancy tax under subsection (a1) of  
41 Section 1 of this act, it shall also adopt a resolution creating the Goldsboro County Tourism  
42 Development Authority, which is a public authority under the Local Government Budget and  
43 Fiscal Control Act. The resolution shall provide for the membership of the Authority, including  
44 the members' terms of office, and for the filling of vacancies on the Authority. At least  
45 one-third of the members shall be individuals who are affiliated with businesses that collect the  
46 tax in the county and at least one-half of the members shall be individuals who are currently  
47 active in the promotion of travel and tourism in the county. The City Council shall designate  
48 one member of the Authority as chair and shall determine the compensation, if any, to be paid  
49 to members of the Authority.

1        The Authority shall meet at the call of the chair and shall adopt rules of procedure to govern  
2 its meetings. The Finance Officer for the City of Goldsboro shall be the ex officio finance  
3 officer of the Authority.

4        (b) Duties. – The Authority shall expend the net proceeds of the tax levied under this  
5 act for the purposes provided in Section 1 of this act. The Authority shall promote travel,  
6 tourism, and conventions in the county, sponsor tourist-related events and activities in the  
7 county, and finance tourist-related capital projects in the county.

8        (c) Reports. – The Authority shall report quarterly and at the close of the fiscal year to  
9 the Goldsboro City Council on its receipts and expenditures for the preceding quarter and for  
10 the year in such detail as the City Council may require.

11        "Sec. 10. The Goldsboro Tourism Council shall remit any proceeds of the tax authorized  
12 by this act to the Goldsboro Tourism Development Authority within 30 days of the creation of  
13 the Authority."

14        **SECTION 2.** Section 7A of Chapter 555 of the 1991 Session Laws, as amended by  
15 Section 1 of S.L. 1997-447, Section 60(1) of S.L. 2013-414, Section 14.23 of S.L. 2014-3, and  
16 Section 1 of this act, reads as rewritten:

17        "Sec. 7A. Distribution and Use of Tax Revenue. – The City of Goldsboro shall, on a  
18 quarterly basis, remit the net proceeds of the occupancy tax levied under this section to the  
19 Goldsboro Tourism Development Authority. The Authority shall use at least  
20 ~~one-third~~ two-thirds of the funds remitted to it under this subsection to promote travel and  
21 tourism in the City of Goldsboro and shall use the remainder for tourism-related expenditures.

22        The following definitions apply in this section:

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

35        **SECTION 3.** Section 2 of this act becomes effective 20 years after this act  
36 becomes law. The remainder of this act is effective when it becomes law.