

GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2015

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SENATE BILL 50
State and Local Government Committee Substitute Adopted 4/28/15
Finance Committee Substitute Adopted 6/9/15

Short Title: Wilson County Occupancy Tax Modification.

(Local)

Sponsors:

Referred to:

February 10, 2015

1 A BILL TO BE ENTITLED
2 AN ACT TO INCREASE THE AUTHORIZATION FOR WILSON COUNTY TO LEVY AN
3 OCCUPANCY TAX.

4 The General Assembly of North Carolina enacts:

5 **SECTION 1.** Chapter 484 of the 1987 Session Laws, as amended by Chapter 901
6 of the 1987 Session Laws, Chapter 912 of the 1987 Session Laws, Section 21(t) of S.L.
7 2007-527, and S.L. 2009-297, reads as rewritten:

8 "Section 1. Occupancy Tax. (a) Authorization and scope. The Wilson County Board of
9 Commissioners may levy a room occupancy tax of up to three percent (3%) of the gross
10 receipts derived from the rental of any room, lodging, or accommodation furnished by a hotel,
11 motel, inn, tourist camp, or similar place within the county that is subject to sales tax imposed
12 by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax.
13 This tax does not apply to accommodations furnished by nonprofit charitable, educational, or
14 religious organizations when furnished in furtherance of their nonprofit purpose.

15 (a1) Authorization of Additional Tax. – In addition to the tax authorized by subsection
16 (a) of this section, the Wilson County Board of Commissioners may levy an additional room
17 occupancy tax of up to three percent (3%) of the gross receipts derived from the rental of
18 accommodations taxable under subsection (a) of this section. The levy, collection,
19 administration, and repeal of the tax authorized by this subsection shall be in accordance with
20 the provisions of this section. Wilson County may not levy a tax under this subsection unless it
21 also levies the tax authorized under subsection (a) of this section.

22 (c) Administration. A tax levied under this section shall be levied, administered,
23 collected, and repealed, as provided in G.S. 153A-155. The penalties provided in
24 G.S. 153A-155 apply to a tax levied under this section.

25 (c1) Definitions. – The following definitions apply in this act:

- 26 (1) Net proceeds. – Gross proceeds less the cost to the county of administering
27 and collecting the tax, as determined by the finance officer, not to exceed
28 three percent (3%) of the first five hundred thousand dollars (\$500,000) of
29 gross proceeds collected each year and one percent (1%) of the remaining
30 gross proceeds collected each year.
- 31 (2) Promote travel and tourism. – To advertise or market an area or activity,
32 publish and distribute pamphlets and other materials, conduct market
33 research, or engage in similar promotional activities that attract tourists or
34 business travelers to the area. The term includes administrative expenses
35 incurred in engaging in the listed activities.



1 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the
2 Tourism Development Authority, are designed to increase the use of lodging
3 facilities, meeting facilities, or convention facilities in the county or to
4 attract tourists or business travelers to the county. The term includes
5 tourism-related capital expenditures.

6 (e) Distribution and use of tax revenue. The net proceeds of the occupancy tax levied
7 under this section shall be distributed and used as follows:

8 (1) Wilson County shall, on a quarterly basis, remit the net proceeds of the
9 occupancy tax levied under subsection (a) of this section to the Wilson
10 County Tourism Development Authority. The Authority shall use at least
11 two-thirds of the funds remitted to it under this subsection-subdivision to
12 promote travel and tourism in Wilson County and shall use the remainder for
13 tourism-related expenditures-County.

14 (2) Wilson County shall, on a quarterly basis, remit one-third of the net proceeds
15 of the occupancy tax levied under subsection (a1) of this section to the
16 Wilson County Tourism Development Authority and the remaining
17 two-thirds of the net proceeds to the City of Wilson. The Authority shall use
18 the funds remitted to it under this subdivision to promote travel and tourism
19 in Wilson County. The City of Wilson shall use the funds remitted to it
20 under this subdivision for tourism-related expenditures in Wilson County
21 that have been specifically approved in advance by the Authority.

22 "Sec. 2. Tourism Development Authority. (a) Appointment and membership. When the
23 board of commissioners adopts a resolution levying a room occupancy tax under this act, it
24 shall also adopt a resolution creating the Wilson County Tourism Development Authority,
25 which shall be a public authority under the Local Government Budget and Fiscal Control Act.
26 The resolution shall provide for the membership of the Authority, including the members' terms
27 of office, and for the filling of vacancies on the Authority. At least one-third of the members
28 shall be individuals who are affiliated with businesses that collect the tax in the county, and at
29 least one-half of the members shall be individuals who are currently active in the promotion of
30 travel and tourism in the county. The resolution shall provide that the Authority shall be
31 composed of the following nine members:

- 32 (1) A Wilson County Commissioner appointed by the board of commissioners.
33 (2) A member of the Wilson City Council appointed by the city council.
34 (3) Three owners or operators of motels, hotels, or other taxable
35 accommodations in Wilson County, one of whom shall be appointed by the
36 Wilson City Council, one by the Wilson County Board of Commissioners,
37 and one by the Wilson County Chamber of Commerce.
38 (4) Two individuals involved in the tourist business who have demonstrated an
39 interest in tourist development and do not own or operate hotels, motels, or
40 other taxable tourist accommodations, appointed as follows: one by the
41 Wilson City Council and one by the Wilson County Board of
42 Commissioners.
43 (5) An individual who is interested in the tourism business, has demonstrated an
44 interest in tourism development, and is appointed by the Wilson County
45 Board of Commissioners.
46 (6) An individual who is interested in the tourism business, has demonstrated an
47 interest in tourism development, and is appointed by the Wilson City
48 Council.

49 The Wilson County Board of Commissioners shall designate one member of the Authority as
50 chair and shall determine the compensation, if any, to be paid 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 Wilson County shall be the ex officio finance officer of
3 the Authority.

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

8 (d) Reports. The City of Wilson shall report quarterly and at the close of the fiscal year
9 to the Authority on its receipts and expenditures for the preceding quarter and for the year in
10 such detail as the Authority may require. The Authority shall report quarterly and at the close
11 of the fiscal year to the board of county commissioners on ~~its~~ both the City's and the Authority's
12 receipts and expenditures for the preceding quarter and for the year in such detail as the board
13 may require.

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

15 **SECTION 2.** This act is effective when it becomes law.