

**GENERAL ASSEMBLY OF NORTH CAROLINA
SESSION 2023**

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**HOUSE BILL 220
Committee Substitute Favorable 3/7/23
PROPOSED COMMITTEE SUBSTITUTE H220-PCS30152-BAXfr-13**

Short Title: Lansing/Jefferson/Stokes Occ. Tax Auth. (Local)

Sponsors:

Referred to:

March 1, 2023

A BILL TO BE ENTITLED
AN ACT TO AUTHORIZE THE TOWN OF LANSING, THE TOWN OF JEFFERSON, AND
STOKES COUNTY TO LEVY AN OCCUPANCY TAX.

The General Assembly of North Carolina enacts:

PART I. TOWN OF LANSING OCCUPANCY TAX

SECTION 1. Occupancy tax. – (a) Authorization and Scope. – The Town of Lansing Board of Aldermen may levy a room occupancy tax of up to three percent (3%) of the gross receipts derived from the rental of an accommodation within the town 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.

SECTION 1.(b) Administration. – A tax levied under this Part shall be levied, administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in G.S. 160A-215 apply to a tax levied under this Part.

SECTION 1.(c) Distribution and Use of Tax Revenue. – The Town of Lansing shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Lansing Tourism Development Authority. The Authority shall use at least two-thirds of the funds to promote travel and tourism and shall use the remainder for tourism-related expenditures in the town.

The following definitions apply in this subsection:

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



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1 **SECTION 2.** Tourism Development Authority. – (a) Appointment and Membership.
2 – When the Town of Lansing Board of Aldermen adopts a resolution levying a room occupancy
3 tax under this Part, it shall also adopt a resolution creating a town Tourism Development
4 Authority, which shall be a public authority under the Local Government Budget and Fiscal
5 Control Act. The resolution shall provide for the membership of the Authority, including the
6 members' terms of office, and for the filling of vacancies on the Authority. At least one-third of
7 the members shall be individuals who are affiliated with businesses that collect tax in the town,
8 and at least one-half of the members shall be individuals who are currently active in the
9 promotion of travel and tourism in the town. The Town of Lansing Board of Aldermen shall
10 designate one member of the Authority as chair and shall determine the compensation, if any, to
11 be paid to members of the Authority.

12 The Authority shall meet at the call of the chair and shall adopt rules of procedure to
13 govern its meetings. The Finance Officer for the Town of Lansing shall be the ex officio finance
14 officer of the Authority.

15 **SECTION 2.(b)** Duties. – The Authority shall expend the net proceeds of the tax
16 levied under this Part for promoting travel and tourism and for tourism-related expenditures as
17 provided in this Part.

18 **SECTION 2.(c)** Reports. – The Authority shall report quarterly and at the close of
19 the fiscal year to the Town of Lansing Board of Aldermen on its receipts and expenditures for
20 the preceding quarter and for the year in such detail as the Board of Aldermen may require.

21 **SECTION 3.** Part I of this act is effective when it becomes law.
22

23 **PART II. TOWN OF JEFFERSON OCCUPANCY TAX**

24 **SECTION 4.** Occupancy tax. – (a) Authorization and Scope. – The Town of
25 Jefferson Board of Aldermen may levy a room occupancy tax of up to three percent (3%) of the
26 gross receipts derived from the rental of an accommodation within the town that is subject to
27 sales tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or
28 local sales tax.

29 **SECTION 4.(b)** Administration. – A tax levied under this Part shall be levied,
30 administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in
31 G.S. 160A-215 apply to a tax levied under this Part.

32 **SECTION 4.(c)** Distribution and Use of Tax Revenue. – The Town of Jefferson
33 shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Jefferson Tourism
34 Development Authority. The Authority shall use at least two-thirds of the funds to promote travel
35 and tourism and shall use the remainder for tourism-related expenditures in the town.

36 The following definitions apply in this subsection:

- 37 (1) Net proceeds. – Gross proceeds less the cost to the town of administering and
38 collecting the tax, as determined by the finance officer, not to exceed three
39 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross
40 proceeds collected each year and one percent (1%) of the remaining gross
41 receipts collected each year.
- 42 (2) Promote travel and tourism. – To advertise or market an area or activity,
43 publish and distribute pamphlets and other materials, conduct market research,
44 or engage in similar promotional activities that attract tourists or business
45 travelers to the area. The term includes administrative expenses incurred in
46 engaging in the listed activities.
- 47 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the
48 Tourism Development Authority, are designed to increase the use of
49 accommodations, meeting facilities, or convention facilities in the town or to
50 attract tourists or business travelers to the town. The term includes
51 tourism-related capital expenditures.

1 **SECTION 5.** Tourism Development Authority. – (a) Appointment and Membership.
2 – When the Town of Jefferson Board of Aldermen adopts a resolution levying a room occupancy
3 tax under this Part, it shall also adopt a resolution creating a town Tourism Development
4 Authority, which shall be a public authority under the Local Government Budget and Fiscal
5 Control Act. The resolution shall provide for the membership of the Authority, including the
6 members' terms of office, and for the filling of vacancies on the Authority. At least one-third of
7 the members shall be individuals who are affiliated with businesses that collect tax in the town,
8 and at least one-half of the members shall be individuals who are currently active in the
9 promotion of travel and tourism in the town. The Town of Jefferson Board of Aldermen shall
10 designate one member of the Authority as chair and shall determine the compensation, if any, to
11 be paid to members of the Authority.

12 The Authority shall meet at the call of the chair and shall adopt rules of procedure to
13 govern its meetings. The Finance Officer for the Town of Jefferson shall be the ex officio finance
14 officer of the Authority.

15 **SECTION 5.(b)** Duties. – The Authority shall expend the net proceeds of the tax
16 levied under this Part for promoting travel and tourism and for tourism-related expenditures as
17 provided in this Part.

18 **SECTION 5.(c)** Reports. – The Authority shall report quarterly and at the close of
19 the fiscal year to the Town of Jefferson Board of Aldermen on its receipts and expenditures for
20 the preceding quarter and for the year in such detail as the Board of Aldermen may require.

21 **SECTION 6.** Part II of this act is effective when it becomes law.
22

23 **PART III. STOKES COUNTY OCCUPANCY TAX**

24 **SECTION 7.** Occupancy tax. – (a) Authorization and Scope. – The Stokes County
25 Board of Commissioners may levy a room occupancy tax of up to six percent (6%) of the gross
26 receipts derived from the rental of an accommodation within the county that is subject to sales
27 tax imposed by the State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local
28 sales tax.

29 **SECTION 7.(b)** Administration. – A tax levied under this section shall be levied,
30 administered, collected, and repealed as provided in G.S. 153A-155. The penalties provided in
31 G.S. 153A-155 apply to a tax levied under this section.

32 **SECTION 7.(c)** Distribution and Use of Tax Revenue. – Stokes County shall, on a
33 quarterly basis, remit the net proceeds of the occupancy tax to the Stokes County Tourism
34 Development Authority. The Authority shall use at least two-thirds of the funds to promote travel
35 and tourism and shall use the remainder for tourism-related expenditures in the county.

36 The following definitions apply in this subsection:

- 37 (1) Net proceeds. – Gross proceeds less the cost to the county of administering
38 and collecting the tax, as determined by the finance officer, not to exceed three
39 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross
40 proceeds collected each year and one percent (1%) of the remaining gross
41 receipts collected each year.
- 42 (2) Promote travel and tourism. – To advertise or market an area or activity,
43 publish and distribute pamphlets and other materials, conduct market research,
44 or engage in similar promotional activities that attract tourists or business
45 travelers to the area. The term includes administrative expenses incurred in
46 engaging in the listed activities.
- 47 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the
48 Tourism Development Authority, are designed to increase the use of
49 accommodations, meeting facilities, or convention facilities in the county or
50 to attract tourists or business travelers to the county. The term includes
51 tourism-related capital expenditures.

1 **SECTION 8.** Tourism Development Authority. – (a) Appointment and Membership.
2 – When the Stokes County Board of Commissioners adopts a resolution levying a room
3 occupancy tax under this Part, it shall also adopt a resolution creating a county Tourism
4 Development Authority, which shall be a public authority under the Local Government Budget
5 and Fiscal Control Act. The resolution shall provide for the membership of the Authority,
6 including the members' terms of office, and for the filling of vacancies on the Authority. At least
7 one-third of the members shall be individuals who are affiliated with businesses that collect the
8 tax in the county, and at least one-half of the members shall be individuals who are currently
9 active in the promotion of travel and tourism in the county. The Stokes County Board of
10 Commissioners shall designate one member of the Authority as chair and shall determine the
11 compensation, if any, to be paid to members of the Authority.

12 The Authority shall meet at the call of the chair and shall adopt rules of procedure to
13 govern its meetings. The finance officer for Stokes County shall be the ex officio finance officer
14 of the Authority.

15 **SECTION 8.(b)** Duties. – The Authority shall expend the net proceeds of the tax
16 levied under this Part for promoting travel and tourism and for tourism-related expenditures as
17 provided in this Part.

18 **SECTION 8.(c)** Reports. – The Authority shall report quarterly and at the close of
19 the fiscal year to the Stokes County Board of Commissioners on its receipts and expenditures for
20 the preceding quarter and for the year in such detail as the Board may require.

21 **SECTION 9.** Part III of this act is effective when it becomes law.
22

23 **PART IV. APPLICABILITY AND EFFECTIVE DATE**

24 **SECTION 10.** G.S. 153A-155(g) reads as rewritten:

25 "(g) Applicability. – Subsection (c) of this section applies to all counties and county
26 districts that levy an occupancy tax. To the extent subsection (c) conflicts with any provision of
27 a local act, subsection (c) supersedes that provision. The remainder of this section applies only
28 to Alleghany, Anson, Brunswick, Buncombe, Burke, Cabarrus, Camden, Carteret, Caswell,
29 Chatham, Cherokee, Chowan, Clay, Craven, Cumberland, Currituck, Dare, Davie, Duplin,
30 Durham, Edgecombe, Forsyth, Franklin, Graham, Granville, Halifax, Haywood, Henderson,
31 Jackson, Madison, Martin, McDowell, Mitchell, Montgomery, Moore, Nash, New Hanover,
32 Northampton, Pasquotank, Pender, Perquimans, Person, Randolph, Richmond, Rockingham,
33 Rowan, Rutherford, Sampson, Scotland, Stanly, Stokes, Swain, Transylvania, Tyrrell, Vance,
34 Washington, Wayne, and Wilson Counties, to Harnett County District H, New Hanover County
35 District U, Surry County District S, Watauga County District U, Wilkes County District K,
36 Yadkin County District Y, and the Township of Averagesboro in Harnett County and the Ocracoke
37 Township Taxing District."

38 **SECTION 11.** G.S. 160A-215(g) reads as rewritten:

39 "(g) Applicability. – Subsection (c) of this section applies to all cities that levy an
40 occupancy tax. To the extent subsection (c) conflicts with any provision of a local act, subsection
41 (c) supersedes that provision. The remainder of this section applies only to Beech Mountain
42 District W, to the Cities of Belmont, Conover, Eden, Elizabeth City, Gastonia, Goldsboro,
43 Greensboro, Hickory, High Point, Jacksonville, Kings Mountain, Lake Santeetlah, Lenoir,
44 Lexington, Lincolnton, Lowell, Lumberton, Monroe, Mount Airy, Mount Holly, Reidsville,
45 Roanoke Rapids, Salisbury, Sanford, Shelby, Statesville, Washington, and Wilmington, to the
46 Towns of Ahoskie, Beech Mountain, Benson, Bermuda Run, Blowing Rock, Boiling Springs,
47 Boone, Burgaw, Carolina Beach, Carrboro, Cooleemee, Cramerton, Dallas, Dobson, Elkin,
48 Fontana Dam, Franklin, Grover, Hillsborough, Jefferson, Jonesville, Kenly, Kure Beach,
49 Lansing, Leland, McAdenville, Mocksville, Mooresville, Murfreesboro, North Topsail Beach,
50 Pembroke, Pilot Mountain, Ranlo, Robbinsville, Selma, Smithfield, St. Pauls, Swansboro,

1 Troutman, Tryon, West Jefferson, Wilkesboro, Wrightsville Beach, Yadkinville, Yanceyville, to
2 the municipalities in Avery and Brunswick Counties, and to Saluda District D."
3 **SECTION 12.** Except as otherwise provided, this act is effective when it becomes
4 law.