



SENATE BILL 727: Moore County Local Sales Tax Use Restriction.

2016-2017 General Assembly

Committee:		Date:	June 29, 2016
Introduced by:	Sen. Tillman	Prepared by:	Nicholas Giddings
Analysis of:	Third Edition		Committee Co-Counsel

SUMMARY: Senate Bill 727 would limit how Moore County could use the funds received if the voters approved a referendum authorizing a ¼ cent sales tax under Article 46 of Chapter 105 of the General Statutes. Under the bill, Moore County would only be able to use the funds for financing and constructing public schools. The act would state expressly in the ballot question that the funds could be used only for public school construction purposes. The bill also allows Moore County to put the referendum on the November 8, 2016 ballot and requires the board of commissioners to submit the proper written request to the board of elections by August 1, 2016. The act is effective when it becomes law and applies only to Moore County.

CURRENT LAW: Counties may issue a ¼ cent sales tax under Article 46 of Chapter 105 of the General Statutes. Under G.S. 105-537, a referendum is required to approve the tax. The proceeds of the tax can be used for any lawful purpose.

BILL ANALYSIS: Senate Bill 727 would limit how Moore County could use the funds received if the voters approved the referendum authorizing the ¼ cent sales tax under Article 46 of Chapter 105 of the General Statutes. Under the bill, Moore County would only be able to use the funds for financing and constructing public schools. Moore County also would be required to use the funds to supplement and not to replace existing funds for public school construction.

Senate Bill 727 would allow Moore County to put this referendum on the November 8, 2016 ballot. The bill further requires the board of county commissioners to submit a written request to the board of elections by August 1, 2016 requesting the referendum be included on the November 8, 2016 ballot.

EFFECTIVE DATE: The act is effective when it becomes law and applies to Moore County only.

BACKGROUND: Voters in Moore County voted against a proposed quarter-cent sales tax increase on March 15, 2016.

Brad Krehely substantially contributed to this summary.

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