

March 1, 2007

H 455. WATAUGA COUNTY LOCAL OPTION SALES TAX. Filed 3/1/07. *TO AUTHORIZE WATAUGA COUNTY TO LEVY A ONE-HALF CENT LOCAL SALES AND USE TAX FOR PUBLIC SCHOOL CAPITAL OUTLAY PURPOSES.*

Adds a new Article 46 (Fourth One-Half Cent Local Government Sales and Use Tax Act) to GS Chapter 105 to authorize the Watauga County Board of Commissioners to levy a one-half cent sales and use tax in addition to the existing 2½ cents of local sales taxes under GS Chapter 105, Articles 39, 40, 42, and 44. The commissioners may levy the tax by resolution only after providing 10 days' public notice and holding a public hearing on the resolution. Levy, collection, and administration of the tax are governed by GS Chapter 105, Article 39, except that the tax does not apply to food. The tax proceeds will be distributed to the taxing county on a point-of-origin basis and must be used only for public school capital outlay and to retire indebtedness incurred for this purpose. The funds are intended to increase spending for public school capital outlay purposes, not supplant funds. Tax does not apply to construction contracts entered into, awarded, or bid before the effective date of its levy.

Intro. by Tarleton.

WATAUGA