

February 5, 2007

H 66. LOCAL OPTION SALES TAX FOR EDUCATION. Filed 2/5/07. *TO AUTHORIZE COUNTIES TO LEVY ONE-HALF CENT LOCAL SALES AND USE TAXES FOR PUBLIC SCHOOL CAPITAL OUTLAY PURPOSES, IF APPROVED BY THE VOTERS OF THE COUNTIES.* Enacts new Article 46 of GS Chapter 105 to authorize an eligible county to levy a one-half cent sales and use tax in addition to the existing local sales taxes under GS Chapter 105, Articles 39, 40, 42, and 44. The county may levy the tax only if it is approved by the voters in a referendum. Levy, collection, and administration of the tax are governed by GS Chapter 105, Article 39, except that the tax does not apply to food. Directs the Secretary of Revenue to distribute the net proceeds monthly on a point-of-origin basis. Counties must use the tax proceeds only for public school capital outlay purposes, and to retire indebtedness incurred by the counties for these purposes on or after January 1, 2003.

Intro. by Yongue, Johnson, Jones, Lucas

GS 105