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SESSION 2009

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SENATE BILL 80
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PROPOSED HOUSE COMMITTEE SUBSTITUTE S80-PCS35371-SVx-55

Short Title: Various Municipal Occupancy Taxes.

(Local)

Sponsors:

Referred to:

February 10, 2009

A BILL TO BE ENTITLED

AN ACT TO AUTHORIZE THE CITIES OF JACKSONVILLE, LENOIR, LOWELL, AND
MOUNT HOLLY AND THE TOWNS OF CRAMERTON, MCADENVILLE, AND
RANLO TO LEVY A ROOM OCCUPANCY AND TOURISM DEVELOPMENT TAX.

The General Assembly of North Carolina enacts:

PART I. JACKSONVILLE OCCUPANCY TAX.

SECTION 1.1. Occupancy tax. – (a) Authorization and Scope. – The Jacksonville City Council may levy a room occupancy tax of up to three percent (3%) of the gross receipts derived from the rental of any room, lodging, or accommodation furnished by a hotel, motel, inn, tourist camp, or similar place within the city 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. This tax does not apply to accommodations furnished by nonprofit charitable, educational, or religious organizations when furnished in furtherance of their nonprofit purpose.

SECTION 1.1.(b) Administration. – A tax levied under this section shall be levied, administered, collected, and repealed as provided in G.S. 160A-215.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 section.

SECTION 1.1.(c) Definitions. – The following definitions apply in this act:

- (1) Net proceeds. – Gross proceeds less the cost to the city 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 proceeds 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 Jacksonville Tourism Development Authority, are designed to increase the use of lodging facilities, meeting facilities, or convention facilities in the city or to attract tourists or business travelers to the city. The term includes tourism-related capital expenditures.



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1 **SECTION 1.1.(d)** Distribution and Use of Tax Revenue. – The City of
2 Jacksonville shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the
3 Jacksonville Tourism Development Authority. The Authority shall use at least two-thirds of
4 the funds remitted to it under this subsection to promote travel and tourism in Jacksonville and
5 shall use the remainder for tourism-related expenditures.

6 **SECTION 1.2.** Tourism Development Authority. – (a) Appointment and
7 Membership. – When the City Council adopts a resolution levying a room occupancy tax under
8 this act, it shall also adopt a resolution creating the Jacksonville Tourism Development
9 Authority, which shall be a public authority under the Local Government Budget and Fiscal
10 Control Act. The resolution shall provide for the membership of the Authority, including the
11 members' terms of office, and for the filling of vacancies on the Authority. At least one-third of
12 the members shall be individuals who are affiliated with businesses that collect the tax in the
13 city, and at least one-half of the members shall be individuals who are currently active in the
14 promotion of travel and tourism in the city. The Jacksonville City Council shall designate one
15 member of the Authority as chair and shall determine the compensation, if any, to be paid to
16 members of the Authority.

17 The Authority shall meet at the call of the chair and shall adopt rules of procedure to
18 govern its meetings. The Finance Officer for Jacksonville shall be the ex officio finance officer
19 of the Authority.

20 **SECTION 1.2.(b)** Duties. – The Authority shall expend the net proceeds of the tax
21 levied under this act for the purposes provided in Section 1.1 of this act. The Authority shall
22 promote travel, tourism, and conventions in the city, sponsor tourist-related events and
23 activities in the city, and finance tourist-related capital projects in the city.

24 **SECTION 1.2.(c)** Reports. – The Authority shall report quarterly and at the close
25 of the fiscal year to the Jacksonville City Council on its receipts and expenditures for the
26 preceding quarter and for the year in such detail as the City Council may require.
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28 **PART II. CRAMERTON OCCUPANCY TAX.**

29 **SECTION 2.1.** Occupancy tax. – (a) Authorization and Scope. – The Cramerton
30 Town Council may levy a room occupancy tax of up to three percent (3%) of the gross receipts
31 derived from the rental of any room, lodging, or accommodation furnished by a hotel, motel,
32 inn, tourist camp, or similar place within the town that is subject to sales tax imposed by the
33 State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax. This tax
34 does not apply to accommodations furnished by nonprofit charitable, educational, or religious
35 organizations when furnished in furtherance of their nonprofit purpose.

36 **SECTION 2.1.(b)** Administration. – A tax levied under this section shall be levied,
37 administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in
38 G.S. 160A-215 apply to a tax levied under this section.

39 **SECTION 2.1.(c)** Definitions. – The following definitions apply in this act:

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

1 of lodging facilities, meeting facilities, or convention facilities in the town or
2 to attract tourists or business travelers to the town. The term includes
3 tourism-related capital expenditures.

4 **SECTION 2.1.(d)** Distribution and Use of Tax Revenue. – The Town of
5 Cramerton shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the
6 Cramerton Tourism Development Authority. The Authority shall use at least two-thirds of the
7 funds remitted to it under this subsection to promote travel and tourism in Cramerton and shall
8 use the remainder for tourism-related expenditures.

9 **SECTION 2.2.** Tourism Development Authority. – (a) Appointment and
10 Membership. – When the Town Council adopts a resolution levying a room occupancy tax
11 under this act, it shall also adopt a resolution creating the Cramerton Tourism Development
12 Authority, which shall be a public authority under the Local Government Budget and Fiscal
13 Control Act. The resolution shall provide for the membership of the Authority, including the
14 members' terms of office, and for the filling of vacancies on the Authority. At least one-third of
15 the members shall be individuals who are affiliated with businesses that collect the tax in the
16 town, and at least one-half of the members shall be individuals who are currently active in the
17 promotion of travel and tourism in the town. The Cramerton Town Council shall designate one
18 member of the Authority as chair and shall determine the compensation, if any, to be paid to
19 members of the Authority.

20 The Authority shall meet at the call of the chair and shall adopt rules of procedure to
21 govern its meetings. The Finance Officer for Cramerton shall be the ex officio finance officer
22 of the Authority.

23 **SECTION 2.2.(b)** Duties. – The Authority shall expend the net proceeds of the tax
24 levied under this act for the purposes provided in Section 2.1 of this act. The Authority shall
25 promote travel, tourism, and conventions in the town, sponsor tourist-related events and
26 activities in the town, and finance tourist-related capital projects in the town.

27 **SECTION 2.2.(c)** Reports. – The Authority shall report quarterly and at the close
28 of the fiscal year to the Cramerton Town Council on its receipts and expenditures for the
29 preceding quarter and for the year in such detail as the Town Council may require.

30 **PART III. LOWELL OCCUPANCY TAX.**

31 **SECTION 3.1.** Occupancy tax. – (a) Authorization and Scope. – The Lowell City
32 Council may levy a room occupancy tax of up to three percent (3%) of the gross receipts
33 derived from the rental of any room, lodging, or accommodation furnished by a hotel, motel,
34 inn, tourist camp, or similar place within the city that is subject to sales tax imposed by the
35 State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax. This tax
36 does not apply to accommodations furnished by nonprofit charitable, educational, or religious
37 organizations when furnished in furtherance of their nonprofit purpose.

38 **SECTION 3.1.(b)** Administration. – A tax levied under this section shall be levied,
39 administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in
40 G.S. 160A-215 apply to a tax levied under this section.

41 **SECTION 3.1.(c)** Definitions. – The following definitions apply in this act:

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

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

8 **SECTION 3.1.(d)** Distribution and Use of Tax Revenue. – The City of Lowell
9 shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Lowell Tourism
10 Development Authority. The Authority shall use at least two-thirds of the funds remitted to it
11 under this subsection to promote travel and tourism in Lowell and shall use the remainder for
12 tourism-related expenditures.

13 **SECTION 3.2.** Tourism Development Authority. – (a) Appointment and
14 Membership. – When the City Council adopts a resolution levying a room occupancy tax under
15 this act, it shall also adopt a resolution creating the Lowell Tourism Development Authority,
16 which shall be a public authority under the Local Government Budget and Fiscal Control Act.
17 The resolution shall provide for the membership of the Authority, including the members' terms
18 of office, and for the filling of vacancies on the Authority. At least one-third of the members
19 shall be individuals who are affiliated with businesses that collect the tax in the city, and at
20 least one-half of the members shall be individuals who are currently active in the promotion of
21 travel and tourism in the city. The Lowell City Council shall designate one member of the
22 Authority as chair and shall determine the compensation, if any, to be paid to members of the
23 Authority.

24 The Authority shall meet at the call of the chair and shall adopt rules of procedure to
25 govern its meetings. The Finance Officer for Lowell shall be the ex officio finance officer of
26 the Authority.

27 **SECTION 3.2.(b)** Duties. – The Authority shall expend the net proceeds of the tax
28 levied under this act for the purposes provided in Section 3.1 of this act. The Authority shall
29 promote travel, tourism, and conventions in the city, sponsor tourist-related events and
30 activities in the city, and finance tourist-related capital projects in the city.

31 **SECTION 3.2.(c)** Reports. – The Authority shall report quarterly and at the close
32 of the fiscal year to the Lowell City Council on its receipts and expenditures for the preceding
33 quarter and for the year in such detail as the City Council may require.

34 **PART IV. MCADENVILLE OCCUPANCY TAX.**

35 **SECTION 4.1.** Occupancy tax. – (a) Authorization and Scope. – The McAdenville
36 Town Council may levy a room occupancy tax of up to three percent (3%) of the gross receipts
37 derived from the rental of any room, lodging, or accommodation furnished by a hotel, motel,
38 inn, tourist camp, or similar place within the town that is subject to sales tax imposed by the
39 State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax. This tax
40 does not apply to accommodations furnished by nonprofit charitable, educational, or religious
41 organizations when furnished in furtherance of their nonprofit purpose.

42 **SECTION 4.1.(b)** Administration. – A tax levied under this section shall be levied,
43 administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in
44 G.S. 160A-215 apply to a tax levied under this section.

45 **SECTION 4.1.(c)** Definitions. – The following definitions apply in this act:

- 46 (1) Net proceeds. – Gross proceeds less the cost to the town of administering
47 and collecting the tax, as determined by the finance officer, not to exceed
48 three percent (3%) of the first five hundred thousand dollars (\$500,000) of
49 gross proceeds collected each year and one percent (1%) of the remaining
50 gross proceeds collected each year.
51

1 (2) Promote travel and tourism. – To advertise or market an area or activity,
2 publish and distribute pamphlets and other materials, conduct market
3 research, or engage in similar promotional activities that attract tourists or
4 business travelers to the area. The term includes administrative expenses
5 incurred in engaging in the listed activities.

6 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the
7 McAdenville Tourism Development Authority, are designed to increase the
8 use of lodging facilities, meeting facilities, or convention facilities in the
9 town or to attract tourists or business travelers to the town. The term
10 includes tourism-related capital expenditures.

11 **SECTION 4.1.(d)** Distribution and Use of Tax Revenue. – The Town of
12 McAdenville shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the
13 McAdenville Tourism Development Authority. The Authority shall use at least two-thirds of
14 the funds remitted to it under this subsection to promote travel and tourism in McAdenville and
15 shall use the remainder for tourism-related expenditures.

16 **SECTION 4.2.** Tourism Development Authority. – (a) Appointment and
17 Membership. – When the Town Council adopts a resolution levying a room occupancy tax
18 under this act, it shall also adopt a resolution creating the McAdenville Tourism Development
19 Authority, which shall be a public authority under the Local Government Budget and Fiscal
20 Control Act. The resolution shall provide for the membership of the Authority, including the
21 members' terms of office, and for the filling of vacancies on the Authority. At least one-third of
22 the members shall be individuals who are affiliated with businesses that collect the tax in the
23 town, and at least one-half of the members shall be individuals who are currently active in the
24 promotion of travel and tourism in the town. The McAdenville Town Council shall designate
25 one member of the Authority as chair and shall determine the compensation, if any, to be paid
26 to members of the Authority.

27 The Authority shall meet at the call of the chair and shall adopt rules of procedure to
28 govern its meetings. The Finance Officer for McAdenville shall be the ex officio finance
29 officer of the Authority.

30 **SECTION 4.2.(b)** Duties. – The Authority shall expend the net proceeds of the tax
31 levied under this act for the purposes provided in Section 4.1 of this act. The Authority shall
32 promote travel, tourism, and conventions in the town, sponsor tourist-related events and
33 activities in the town, and finance tourist-related capital projects in the town.

34 **SECTION 4.2.(c)** Reports. – The Authority shall report quarterly and at the close
35 of the fiscal year to the McAdenville Town Council on its receipts and expenditures for the
36 preceding quarter and for the year in such detail as the Town Council may require.

37 38 **PART V. MOUNT HOLLY OCCUPANCY TAX.**

39 **SECTION 5.1.** Occupancy tax. – (a) Authorization and Scope. – The Mount Holly
40 City Council may levy a room occupancy tax of up to three percent (3%) of the gross receipts
41 derived from the rental of any room, lodging, or accommodation furnished by a hotel, motel,
42 inn, tourist camp, or similar place within the city that is subject to sales tax imposed by the
43 State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax. This tax
44 does not apply to accommodations furnished by nonprofit charitable, educational, or religious
45 organizations when furnished in furtherance of their nonprofit purpose.

46 **SECTION 5.1.(b)** Administration. – A tax levied under this section shall be levied,
47 administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in
48 G.S. 160A-215 apply to a tax levied under this section.

49 **SECTION 5.1.(c)** Definitions. – The following definitions apply in this act:

50 (1) Net proceeds. – Gross proceeds less the cost to the city of administering and
51 collecting the tax, as determined by the finance officer, not to exceed three

1 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross
2 proceeds collected each year and one percent (1%) of the remaining gross
3 proceeds collected each year.

4 (2) Promote travel and tourism. – To advertise or market an area or activity,
5 publish and distribute pamphlets and other materials, conduct market
6 research, or engage in similar promotional activities that attract tourists or
7 business travelers to the area. The term includes administrative expenses
8 incurred in engaging in the listed activities.

9 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the
10 Mount Holly Tourism Development Authority, are designed to increase the
11 use of lodging facilities, meeting facilities, or convention facilities in the city
12 or to attract tourists or business travelers to the city. The term includes
13 tourism-related capital expenditures.

14 **SECTION 5.1.(d)** Distribution and Use of Tax Revenue. – The City of Mount
15 Holly shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Mount
16 Holly Tourism Development Authority. The Authority shall use at least two-thirds of the funds
17 remitted to it under this subsection to promote travel and tourism in Mount Holly and shall use
18 the remainder for tourism-related expenditures.

19 **SECTION 5.2.** Tourism Development Authority. – (a) Appointment and
20 Membership. – When the City Council adopts a resolution levying a room occupancy tax under
21 this act, it shall also adopt a resolution creating the Mount Holly Tourism Development
22 Authority, which shall be a public authority under the Local Government Budget and Fiscal
23 Control Act. The resolution shall provide for the membership of the Authority, including the
24 members' terms of office, and for the filling of vacancies on the Authority. At least one-third of
25 the members shall be individuals who are affiliated with businesses that collect the tax in the
26 city, and at least one-half of the members shall be individuals who are currently active in the
27 promotion of travel and tourism in the city. The Mount Holly City Council shall designate one
28 member of the Authority as chair and shall determine the compensation, if any, to be paid to
29 members of the Authority.

30 The Authority shall meet at the call of the chair and shall adopt rules of procedure to
31 govern its meetings. The Finance Officer for Mount Holly shall be the ex officio finance officer
32 of the Authority.

33 **SECTION 5.2.(b)** Duties. – The Authority shall expend the net proceeds of the tax
34 levied under this act for the purposes provided in Section 5.1 of this act. The Authority shall
35 promote travel, tourism, and conventions in the city, sponsor tourist-related events and
36 activities in the city, and finance tourist-related capital projects in the city.

37 **SECTION 5.2.(c)** Reports. – The Authority shall report quarterly and at the close
38 of the fiscal year to the Mount Holly City Council on its receipts and expenditures for the
39 preceding quarter and for the year in such detail as the City Council may require.

40 **PART VI. RANLO OCCUPANCY TAX.**

41 **SECTION 6.1.** Occupancy tax. – (a) Authorization and Scope. – The Ranlo Town
42 Council may levy a room occupancy tax of up to three percent (3%) of the gross receipts
43 derived from the rental of any room, lodging, or accommodation furnished by a hotel, motel,
44 inn, tourist camp, or similar place within the town that is subject to sales tax imposed by the
45 State under G.S. 105-164.4(a)(3). This tax is in addition to any State or local sales tax. This tax
46 does not apply to accommodations furnished by nonprofit charitable, educational, or religious
47 organizations when furnished in furtherance of their nonprofit purpose.

48 **SECTION 6.1.(b)** Administration. – A tax levied under this section shall be levied,
49 administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in
50 G.S. 160A-215 apply to a tax levied under this section.
51

1 **SECTION 6.1.(c)** Definitions. – The following definitions apply in this act:

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

17 **SECTION 6.1.(d)** Distribution and Use of Tax Revenue. – The Town of Ranlo
18 shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Ranlo Tourism
19 Development Authority. The Authority shall use at least two-thirds of the funds remitted to it
20 under this subsection to promote travel and tourism in Ranlo and shall use the remainder for
21 tourism-related expenditures.

22 **SECTION 6.2.** Tourism Development Authority. – (a) Appointment and
23 Membership. – When the Town Council adopts a resolution levying a room occupancy tax
24 under this act, it shall also adopt a resolution creating the Ranlo Tourism Development
25 Authority, which shall be a public authority under the Local Government Budget and Fiscal
26 Control Act. The resolution shall provide for the membership of the Authority, including the
27 members' terms of office, and for the filling of vacancies on the Authority. At least one-third of
28 the members shall be individuals who are affiliated with businesses that collect the tax in the
29 town, and at least one-half of the members shall be individuals who are currently active in the
30 promotion of travel and tourism in the town. The Ranlo Town Council shall designate one
31 member of the Authority as chair and shall determine the compensation, if any, to be paid to
32 members of the Authority.

33 The Authority shall meet at the call of the chair and shall adopt rules of procedure to
34 govern its meetings. The Finance Officer for Ranlo shall be the ex officio finance officer of the
35 Authority.

36 **SECTION 6.2.(b)** Duties. – The Authority shall expend the net proceeds of the tax
37 levied under this act for the purposes provided in Section 6.1 of this act. The Authority shall
38 promote travel, tourism, and conventions in the town, sponsor tourist-related events and
39 activities in the town, and finance tourist-related capital projects in the town.

40 **SECTION 6.2.(c)** Reports. – The Authority shall report quarterly and at the close
41 of the fiscal year to the Ranlo Town Council on its receipts and expenditures for the preceding
42 quarter and for the year in such detail as the Town Council may require.

43 44 **PART VII. LENOIR OCCUPANCY TAX.**

45 **SECTION 7.1.** Occupancy tax. – (a) Authorization and Scope. – The Lenoir City
46 Council may levy a room occupancy tax of up to three percent (3%) of the gross receipts
47 derived from the rental of any room, lodging, or accommodation furnished by a hotel or a motel
48 only within the city that is subject to sales tax imposed by the State under G.S. 105-164.4(a)(3).
49 This tax is in addition to any State or local sales tax. This tax does not apply to
50 accommodations furnished by nonprofit charitable, educational, or religious organizations
51 when furnished in furtherance of their nonprofit purpose.

1 **SECTION 7.1.(b)** Administration. – A tax levied under this section shall be levied,
2 administered, collected, and repealed as provided in G.S. 160A-215. The penalties provided in
3 G.S. 160A-215 apply to a tax levied under this section.

4 **SECTION 7.1.(c)** Definitions. – The following definitions apply in this act:

5 (1) Net proceeds. – Gross proceeds less the cost to the city of administering and
6 collecting the tax, as determined by the finance officer, not to exceed three
7 percent (3%) of the first five hundred thousand dollars (\$500,000) of gross
8 proceeds collected each year and one percent (1%) of the remaining gross
9 proceeds collected each year.

10 (2) Promote travel and tourism. – To advertise or market an area or activity,
11 publish and distribute pamphlets and other materials, conduct market
12 research, or engage in similar promotional activities that attract tourists or
13 business travelers to the area. The term includes administrative expenses
14 incurred in engaging in the listed activities.

15 (3) Tourism-related expenditures. – Expenditures that, in the judgment of the
16 Lenoir Tourism Development Authority, are designed to increase the use of
17 lodging facilities, meeting facilities, or convention facilities in the city or to
18 attract tourists or business travelers to the city. The term includes
19 tourism-related capital expenditures.

20 **SECTION 7.1.(d)** Distribution and Use of Tax Revenue. – The City of Lenoir
21 shall, on a quarterly basis, remit the net proceeds of the occupancy tax to the Lenoir Tourism
22 Development Authority. The Authority shall use at least two-thirds of the funds remitted to it
23 under this subsection to promote travel and tourism in Lenoir and shall use the remainder for
24 tourism-related expenditures.

25 **SECTION 7.2.** Tourism Development Authority. – (a) Appointment and
26 Membership. – When the City Council adopts a resolution levying a room occupancy tax under
27 this act, it shall also adopt a resolution creating the Lenoir Tourism Development Authority,
28 which shall be a public authority under the Local Government Budget and Fiscal Control Act.
29 The resolution shall provide for the membership of the Authority, including the members' terms
30 of office, and for the filling of vacancies on the Authority. At least one-third of the members
31 shall be individuals who are affiliated with businesses that collect the tax in the city, and at
32 least one-half of the members shall be individuals who are currently active in the promotion of
33 travel and tourism in the city. The Lenoir City Council shall designate one member of the
34 Authority as chair, and all members of the Authority shall serve without compensation.

35 The Authority shall meet at the call of the chair and shall adopt rules of procedure to
36 govern its meetings. The Finance Officer for Lenoir shall be the ex officio finance officer of the
37 Authority.

38 **SECTION 7.2.(b)** Duties. – The Authority shall expend the net proceeds of the tax
39 levied under this act for the purposes provided in Section 7.1 of this act. The Authority shall
40 promote travel, tourism, and conventions in the city, sponsor tourist-related events and
41 activities in the city, and finance tourist-related capital projects in the city.

42 **SECTION 7.2.(c)** Reports. – The Authority shall report quarterly and at the close
43 of the fiscal year to the Lenoir City Council on its receipts and expenditures for the preceding
44 quarter and for the year in such detail as the City Council may require.

45 **PART VIII. UNIFORM PROVISIONS.**

46 **SECTION 8.** G.S. 160A-215(g), as amended by S.L. 2009-169 and S.L. 2009-291,
47 reads as rewritten:

48 "(g) This section applies only to Beech Mountain District W, to the Cities of Belmont,
49 Conover, Eden, Elizabeth City, Gastonia, Goldsboro, Greensboro, Hickory, High Point,
50 Jacksonville, Kings Mountain, Lenoir, Lexington, Lincolnton, Lowell, Lumberton, Monroe,

1 Mount Airy, Mount Holly, Reidsville, Roanoke Rapids, Shelby, Statesville, Washington, and
2 Wilmington, to the Towns of Ahoskie, Beech Mountain, Benson, Blowing Rock, Boiling
3 Springs, Boone, Burgaw, Carolina Beach, Carrboro, Cramerton, Dallas, Dobson, Elkin,
4 Franklin, Jonesville, Kenly, Kure Beach, Leland, McAdenville, Mooresville, North Topsail
5 Beach, Pilot Mountain, Ranlo, Selma, Smithfield, St. Pauls, Troutman, Tryon, West Jefferson,
6 Wilkesboro, Wrightsville Beach, Yadkinville, and Yanceyville, and to the municipalities in
7 Avery and Brunswick Counties."

8
9 **PART IX. EFFECTIVE DATE.**

10 **SECTION 9.** This act is effective when it becomes law.