

GENERAL ASSEMBLY OF NORTH CAROLINA  
SESSION 2017

H.B. 459  
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HOUSE PRINCIPAL CLERK

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HOUSE BILL DRH30194-SVx-10 (03/15)

Short Title: Carteret Local Option Sales Tax for Dredging. (Local)

Sponsors: Representative McElraft.

Referred to:

1 A BILL TO BE ENTITLED  
2 AN ACT TO TEMPORARILY MODIFY THE PURPOSES FOR WHICH CARTERET  
3 COUNTY MAY USE THE PROCEEDS OF THE ONE-QUARTER CENT LOCAL  
4 SALES AND USE TAX AUTHORIZED BY ARTICLE 46 OF CHAPTER 105 OF THE  
5 GENERAL STATUTES.

6 The General Assembly of North Carolina enacts:

7 **SECTION 1.** This act applies only to Carteret County.

8 **SECTION 2.** Article 46 of Chapter 105 of the General Statutes reads as rewritten:

9 "Article 46.

10 "One-Quarter Cent (1/4¢) County Sales and Use Tax.

11 **"§ 105-535. Short title.**

12 This Article is the One-Quarter Cent (1/4¢) County Sales and Use Tax Act.

13 **"§ 105-536. Limitations.**

14 This Article applies only to counties that levy the first one-cent (1¢) sales and use tax under  
15 Article 39 of this Chapter or under Chapter 1096 of the 1967 Session Laws, the first one-half  
16 cent (1/2¢) local sales and use tax under Article 40 of this Chapter, and the second one-half  
17 cent (1/2¢) local sales and use tax under Article 42 of this Chapter.

18 **"§ 105-537. Levy.**

19 (a) Authority. – A tax levied under this Article must be approved in a referendum. If the  
20 majority of those voting in a referendum held pursuant to this Article vote for the levy of the  
21 tax, the board of county commissioners may, by resolution and after 10 days' public notice,  
22 levy a local sales and use tax at a rate of one-quarter percent (0.25%). The county board of  
23 elections shall fix the date of the special election on a date permitted by G.S. 163-287, except  
24 that the special election shall not be held within one year from the date the tax expires under  
25 subsection (e) of this section.

26 (b) Vote. – The board of county commissioners may direct the county board of  
27 elections to conduct an advisory referendum on the question of whether to levy a local sales  
28 and use tax in the county as provided in this Article. The election shall be held in accordance  
29 with the procedures of G.S. 163-287.

30 (c) Ballot Question. – The form of the question to be presented on a ballot for a special  
31 election concerning the levy of the tax authorized by this Article shall be:

32 "[ ] FOR [ ] AGAINST

33 Local sales and use tax at the rate of one-quarter percent (0.25%) in addition to all other  
34 State and local sales and use taxes. taxes, to be used only for dredging and waterway  
35 maintenance."

36 (d) Repealed by Session Laws 2014-3, s. 14.22, effective May 29, 2014.



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1       (e)     Expiration. – A tax levied under this section shall expire on the first day of the  
2 calendar quarter that is at least 90 days after the month in which the total net proceeds of the  
3 tax reach twenty million dollars (\$20,000,000). The Secretary shall notify the county finance  
4 director and the board of county commissioners when the total net proceeds of the tax reach  
5 twenty million dollars (\$20,000,000) and of the date of the expiration of the tax. No liability for  
6 any tax levied under this Article that has attached prior to the expiration of the tax shall be  
7 discharged as the result of the expiration, and no right to a refund of tax that accrued prior to  
8 the expiration of the tax shall be denied as the result of the expiration.

9     **"§ 105-538. Administration of taxes.**

10       The Secretary shall, on a monthly basis, allocate to each taxing county the net proceeds of  
11 the tax levied under this Article. If the Secretary collects taxes under this Article in a month and  
12 the taxes cannot be identified as being attributable to a particular taxing county, the Secretary  
13 must allocate the net proceeds of these taxes among the taxing counties in proportion to the  
14 amount of taxes collected in each county under this Article in that month. For purposes of this  
15 Article, the term "net proceeds" has the same meaning as defined in G.S. 105-472.

16       Except as provided in this Article, the adoption, levy, collection, administration, and repeal  
17 of these additional taxes must be in accordance with Article 39 of this Chapter. G.S. 105-468.1  
18 is an administrative provision that applies to this Article. A tax levied under this Article does  
19 not apply to the sales price of food that is exempt from tax pursuant to G.S. 105-164.13B or to  
20 the sales price of a bundled transaction taxable pursuant to G.S. 105-467(a)(5a). The Secretary  
21 shall not divide the amount allocated to a county between the county and the municipalities  
22 within the county."

23             **SECTION 3.** This act is effective when it becomes law.